MKETS CORRESPOND

# FINANCIALTIMES

Thursday February 7 1985

The euphoria is over for French electronics, Page 21

World news

## Reagan, Hawke to discuss **MX** tests

Pacific are expected to don the meeting between Australian Prime Minister Bob Hawke and President Ronald Reagan in Wash-

ngton today. Before leaving Europe, Mr Hawke made an apparent U-turn on his agreement to allow Australia to be used to monitor the MX tests. That, it seems, was the result of political pressure at home.

Mr Hawke's apparent change of mind follows the controversy caused by the refusal of New Zealand Prime Minister David Lange to allow U.S. ships, either nuclear-powered or armed, to enter New Zealand waters. That, in turn, led the U.S. to cancel Anzus "Sea Eagle" naval exercises planned for next month. Page 22

#### Lisbon resignation

Portuguese Social Democratic leader Carlos Mota Pinto, Deputy Prime Minister in the country's coalition Government, resigned his party post after criticism of his leadership. Mota Pinto said he would leave his future in the Government to be decided by his party. Page 2

#### Mitterrand attacked

French Communist Party leader Georges Marchais delivered a blistering attack against President François Mitterrand when he opened his party's 25th congress.

## German Independence move

Unexpected moves to introduce an independence constitution are to begin in the Turkish-Cypriot assembly this week. The plan in defiance Turkish-Cypriot leader Rauf Denktash, was pushed through by right-wingers representing a majority in the constituent assembly.

#### Lebanon protest

Shooting and protest demonstrations broke out as Israeli troops 11,867.17. Section III nese city of Tyre in a large antiguerrilla operation. Page 4

#### Gibraltar clampdown

Spanish police at the newly opened frontier between Spain and Gibral-tar are not allowing Moroccans to enter the country from the British colony unless they have Pta 75,000 (\$420) with them.

#### Chilean arrests

Chile's military Government ordered the arrest of 10 left-wing leaders of the Popular Democratic Movement which was declared unconstitutional last week.

#### 2.100 held in Peru

Peruvian police arrested 2,100 people in a hunt for Maoist guerrillas who blacked out Lima during Pope

#### Teheran killings

John Paul's visit.

A grenade explosion and police gunfire in Teheran left two people dead as Iran marked the sixth anniversary of the return from exile. of revolutionary leader Ayatollah

#### Santo Domingo clash

Troops patrolled Santo Domingo, the capital of the Dominican Republic, after a wave of strikes and violent clashes in which two people were killed and scores of arrests

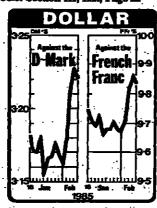
### Goetz gun piea

New York's "subway vigilante" Bernhard Goetz denied charges of illegal possession of the gun he used to shoot four black teenagers, as demonstraters' chants of "racist" drifted into a tense, guarded New

## Strong \$ helps bourses to new peaks

EUROPEAN bourses derived benefit from the continued strength of the dollar with records set in a number of centres.

General index added 0.3 to 198.5, the Zurich Swiss Bank industrial index firmed 4.1 to 414.60 and the Indicateur de Tendence in Paris was 1.1 ahead at 107.90. Shares also ched peak levels in Milan and Oslo. Section III; Lex, Page 22



DOLLAR was weaker in late Lon don trading, closing at DM 3.2215 (DM 3.227), FFr 9.8375 (FFr 9.86), SwFr 2.737 (SwFr 2.752) and Y259.45 (Y259.7). On Bank of England figures the dollar's index rose to another record of 148.7 from

STERLING was firm in London, gaining 25 points against the dollar to close at \$1.114. It also rose to DM 3.59 (DM 3.5875), FFr 10.95 (FFr 10.9475), SwFr 3.05 (SwFr 3.045) and Y289.0 (Y288.5). The pound's exchange index rose to 71.5 from 71.4.

GOLD rose 75 cents on the London bullion market to \$303. It also improved in Zurich to \$303.35. Page 49 WALL STREET: The Dow Jones in-

dustrial average closed down 4.64 at 1,280.59. Section III TOKYO: Revived buying over a broad range took the Nikkei Dow

market average up 43.74 to LONDON equities and gilts recovfirm. The FT Ordinary index edged

0.9 higher to 983.3. Section III NIXDORF, West German data processing company, boosted sales revenue by 21 per cent to DM 3.27bn (\$1.01bn) last year and said

profits were "well above" the previous year. Page 24 JEUMONT-SCHNEIDER, specialised French engineering and elec-

tronics group, is to shed about a third of the workforce in its heavy electrical and nuclear division be cause of a slump in orders. Page 24 ENKA, West German-based man-

made fibres division of the Dutch Akzo chemical concern, expects to report net profits of about DM 200m (\$62m) for last year, more than double 1983 earnings of DM 91m.

GAMBRO, Swedish manufacturer of kidney dialysis machines recently taken over by the Sonessons light engineering group, is to shed 200 mainly administrative personnel amid fears that its 1984 results may be well below forecasts.

LEAR FAN carbon-fibre aircraft, which is to be manufactured in Northern Ireland with substantial British Government backing, has developed another technical problem. Page 23

ARMCO, diversified U.S. steel and oilfield equipment group, announced a net loss of \$295m for 1984, but warned that the figure might change after a final evaluation of provisions against the sale of discontinued businesses. Page 23

CONSAFE of Sweden, the world's largest owner of offshore accomed ation platforms, paid SKr &m (\$872,000) for an 84 per cent stake in Bruusgaard Klosterud, a small Norwegian company, which it plans to use as a vehicle for its eventual withdrawal from Sweden.

# U.S. budget deficit 'could top \$400bn by end of decade'

THE U.S. budget deficit could soar to more than \$400bn in the event of ion later in the decade. Mr Rudolph Penner, director of the Congressional Budget Office (CBO), the authoritative independent budget analysis agency, warned in bud-get testimony to congress yester-

Mr Penner's comments, which he linked with the uncertainty about the economic outlook, follow Monday's release of President Ronald Reagan's controversial budget pro-posals for 1986.

These project federal deficits dropping to \$144bn by 1988 if the savings he recommends are enacted and the economy expands at a real rate of about 4 per cent annually, but deficits remaining around the \$220bn level if no savings are

The CBO's baseline budget proections assuming, as the President does, reasonably strong growth over the next five years - are not markedly different from the Administration's up to 1988. But they show the deficit rising to \$296bn by 1990, largely because of higherinterest rate assumptions. • But Mr Penner expressed con-

cern yesterday about the implications of this outlook for the U.S. economy because it would raise the ratio between federal debt and gross national product (GNP) from most 50 per cent in 1990, and the was not merely the absolute size of

The CBO's gloomy \$400bn-plus excercise the CBO conducts to see

how the deficit would be affected by different economic conditions. The projection assumes a decline in real GNP of 1.8 per cent in 1987 and 0.1 per cent in 1988, with interest rates dropping to 6.0 per cent and 6.5 per cent during the recession. While not dismissing such as-

sumptions as implausible, some private economists yesterday questioned the assumptions, Mr Gree Ballentine, who recently resigned as chief economist of the Administration's Office of Management and Budget, said the economic assumptions of the CBO were arguably too pessimistic because normally a U.S. economic upswing ended in a burst of growth and a recession was fol-

\$300bn level. "It is not unrealistic to assume that we could have a recession, but it is unrealistic that we rould have a recession of this nature," with slow growth before the recession he maintained. The CBO assumed growth of only 2.8 per cent

Mr Greg Wills, of the Urban Institute in Washington, said that a releunder 30 per cent in the 1970s to al- vant question for budget planners

cost of interest on the national debt the deficit but the proportion of it to \$230bn on the CBO's forecasts for which was structural in nature and the deficit and interest rates. which was caused by the economic cycle and therefore reversi-

He pointed out, too, that the read tion of economic policymakers, par-ticularly the Federal Reserve which might be expected to try to ease monetary policy and revive the economy, could also limit the increase in the deficit.

that while the Reagan Administration's economic projections repre sent an optimistic assessment of the outlook, the CBO's recession scenario is not necessarily the worst plausible case that could be

There are fears that the next U.S. recession could be accompanied by a falling dollar, rising interest rates and inflation, and slower growth. Indeed, the President's budget mes lowed by a rapid upturn. sage raised that possibility. In these circumstances the CBO projection the rise in the deficit to around the of \$400 n deficits could be too opti-

On the other hand, as the CBC points out, by assuming real economic growth of a percentage point higher than its five-year projection of about 3.4 per cent annually, even with higher interest rates, the deficit could decline to \$126bn by 1990. or 1.9 per cent of GNP.

Editorial comment, Page 20; Waiting for the dollar bubble to

# De Larosiere calls for action on interest rates

debt-service burden was made yesterday by Mr Jacques de Larosiere, director of the International Monetary Fund (IMF). Mr de Larosiere said that a re-

duction in the U.S. budget deficit was necessary to ease interest rates and the heavy debt burden of devel-Pointing to the sharp growth in

the U.S. current account deficit, Mr de Larosiere also warned: "The question arises as to how long the heavy and growing dependence of the U.S. on foreign savings can con-He said that monetary discipline,

determined action to reduce the

tration to to take "swift and credi-ble" action to cut the U.S. budget deficit in order to ease interest and the decline in interest rates into protectionism had Speaking in Stockholm, Mr de

Larosiere also called on West European countries to address the "rigidities and distortions in their economies which had led to growing protectionist tendencies. Index-ation of wages, over-regulation of the labour market and a massive growth in government benefit payments had caused inefficiency and delayed investment and structural change, he said.

Without a firm rejection of protectionism by industrialised nations in the forthcoming trade negotiations at the General Agreement on Tariffs and Trade, both the prospects for recovery and debt repaybudget deficit and a curb on the ment by developing countries and a 50 per cent rise in three years.

CALL for the Reagan Adminis- growth of public spending were cru- the fabric of the global economic

Noting that a widespread lapse significant rise in "ad hoc" restrictions. He singled out the introduction of quotas, "voluntary" export restraints, bilateralism and counter-trade arrangements as being counter-productive

Widespread subsidies to ailing industries by developed countries and agricultural protection policies were also responsible for clouding the medium-term prospects for an orderly resolution of the debt prob-

He said that of the total consu tion of manufactured goods in the U.S. and Europe, 30 per cent were subject to such restrictions in 1983.

## Röller to head Dresdner Bank as Friderichs quits over Flick

BY JOHN DAVIES IN FRANKFURT

faces corruption charges in West Germany's Flick affair, resigned The bank named Dr Wolfgang Röller, acting chief executive, to

take over the job.

Dr Friderichs had already been released from his position to concentrate on his legal defence, but

ary 10 to an unspecified date. Dresdner said yesterday that Dr Friderichs had asked the bank to the top job at Dresdner more than accept his resignation as chief ex- six years ago, succeeding Herr ecutive and as a board member be- Jürgen Ponto, who was shot dead cause it was no longer possible to by terrorists.

tell when the court case was likely He built a reputation as a confito start or how long it would last. dent and highly skilful busi-

DR HANS FRIDERICHS, who the interests of the bank if the development of the case warranted it. Dr Friderichs, a former Economyesterday as chief executive of ics Minister, faces trial in Bonn Dresdner Bank. with his ministerial successor, Count Otto Lambsdorff, and Herr Eberhard von Brauchitsch, a former chief executive of the Flick in-

ceiving money from Flick, either for the opening of the court case was himself or for the Free Democratic unexpectedly postponed from Janu-Party (FDP) of which he was a lead-

dustrial group. Dr Friderichs has denied ever reing member. He moved from Bonn to take over

It said that Dr Friderichs had al-nessman, as well as a shrewd tactiways indicated that he would act in cian.

Last September he still radiated confidence as the bank announced that he would be released temporarily from his duties. He stressed then that he remained a member of the bank's board and intended to continue to give as much time as possible to its affairs. Dr Röller, who at that time was

presented as an interim chief executive, is the Dresdner Bank's senior capital markets expert. Dr Friderichs sent his resigna

tion to Herr Helmut Häusgen, the head of the supervisory board. The management board then named Dr Röller to become its "spokesman or chief executive. The top-level change will come in

to effect officially on March 27, when the supervisory board meets and will accept Dr Friderichs' resig-

## **Creditors** relax conditions for Dome recovery

By Bernard Simon in Toronto

DOME PETROLEUM, the troubled Canadian energy producer, has improved its chances of recovery by persuading creditors to proceed with a C\$5.3bn (\$3.97bn) debt restructuring agreement without en-forcing one of the plan's key condi-

The rescheduling accord, under negotiation for more than a year, was implemented on Tuesday with Dome's 56 creditors no longer insisting that the company proceed immediately with a C\$350m equity issue. Instead, the Calgary-based company has agreed to raise C\$100m and to sell C\$150m of assets by the end of 1988.

Dome's chairman, Mr Howard Macdonald, yesterday described the debt rescheduling as a "milestone." "It is important to be able to manage the company instead of spending most of one's time rescheduling

the debt," he said. Dome came close to collapse three years ago when falling energy prices and rising interest rates abruptly ended a series of ambitious acquisitions. The company lost C\$1.1bn in 1983 and C\$105.4m in the first nine months of last year.

Its total debt stands at C\$6.4bn. Under the rescheduling agreement, principal repayments will be stretched to 1995. Repayment in five years to 1988 will be cut by C\$3.5bn, enabling the company to match debt obligations more closely with projected cash flows. Lenders will receive entire interest on the rescheduled debt with rate increases of % of 1 per cent a year ev-

ery three years.

Mr Macdonald said that the company's current priorities included limiting its exposure to volatile interest rates by converting a sizeable portion of floating rate debt to fixed turns. About 85 per cent of Dome's debt is currently set at floating rates. Each percentage point rise in interest rates costs the company C\$52m a year.

Mr Macdonald said that Dome remained committed to raising new equity, adding that "we will certainly not be shy in going forward if the market is there."
Weak oil price

tive investment climate forced Dome last November to call off plans for an international equity offering. The failure to raise new capital is expected to impair its ability to maintain investment in its three remaining core businesses of western Canadian oil and gas, natural

Continued on Page 22 Earnings up at TransCanada PipeLines, Page 23

# Renault wage deduction to aid investment

RENAULT, the financially troubled French state-owned car group, will deduct a small portion of the February salaries of its 89,000 workers to elp to finance new job-creating in-

Although the scheme at this stage involves a relatively modest sum of FFr 70m (\$7.1m), it is the first time a French state group has experimented with worker "give-backs," which were widely used by the U.S. motor industry to help it out of its last crisis, in an effort to resolve its financial problems. Renault expects to report losses of up to FFr 10bn for 1984.

Under its scheme Renault has sked its 89.000 car workers to contribute 0.2 per cent of their Febru- vantages. ary earnings to help to constitute a special investment fund. The com-

pany, for its part, will contribute the equivalent of 0.4 per cent of the payroll to this fund. obligatory, and the fund will raise with these obligatory contributions

FFr 70m for job-creating invest-

The company is also encouraging

workers to make voluntary contri butions to the scheme. The obligatory contribution for

Renault car workers will be re-funded with interest in five years' time to each employee. The interest rate for these contributions has yet

to be fixed. The voluntary contributions will be paid back with an interest rate 2.5 per cent higher than the current counts. At current rates the Renault workers would earn 9 per cent interest on their voluntary contributions. These contributions are also expected to enjoy certain fiscal ad-

Four unions, including the pro-Socialist CFDT, have formally ratified the Renault scheme, while the pro-Communist CGT union and the centrist FO union have not signed a The workers' contribution will be formal agreement with the state

Renault had been negotiating the

## **Acorn Computers in** reorganisation move

BY JASON CRISP IN LONDON

ACORN COMPUTERS, the troubled British home computer compafairs. It also said that it had dismissed Lazard Brothers as its financial adviser and that Cazenove had resigned as the company's

Acorn's shares were suspended on the London Stock Exchange at 28p yesterday, against a closing price of 32p on Tuesday. They reached 23p at one stage in yesterday's trading

The company has faced a growing crisis of confidence in recent veeks, and its share price has plunged from last year's high of Mackenzie last night sharply re-

Until recently most brokers expected Acorn to make a similar profit to last year's pre-tax figure of £10.8m almost certainly drop the Electron to announce a £2.5m loss on the stocks. first half, which includes the important pre-Christmas period

ing a £3m loss on sales of £95m

(SIO6m) in the year to June 1985.

British Telecom is to start making under licence high-periorpany. Initially BT plans to use the microscope the microcomputers internally, but may start selling them on the open market from next year.

The main reason for the losses in the first half are a £4m writedown of stocks because of recent price cuts and losses of £3m as a result of Acorn's abortive foray into the U.S.

London stockbrokers Wood ports that it had particularly bad vised its forecast for Acorn, predict-

Acorn cut the price of the Electron from £200 to £130. The company's main British rivals, Sinclair Research and Amstrad, say that the new price is below cost. Acorn will Wood Mackenzie expects Acorn in its basic form once it has sold its

Lex, Page 22

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etary policy; UK water ... 20 Survey ...... Section IV

## Top people implicated in Spanish currency scandal

By David White in Madrid

NUMEROUS MEMBERS Spanish high society are alleged to have been involved in a multi-million dollar scheme to channel money illegally out of Spain to Switzerland.

Eighteen people have been detained in the affair, and well-known aristocratic figures loosely connected to the Spanish royal family, are alleged to have taken part. The case, now in the hands of Madrid courts, represents the biggest crackdown on currency evasion since the

Socialist Government arrived in power in 1982. A currency law brought in 18 months ago provides for up to 12 years' imprisonment, in cases involving large sums, and heavy

fines.
One of the country's most distinguished jurists, Sr Eduardo García Enterria, and his wife were released on Tuesday by an examining magistrate on

an examining magistrate on bail of Pta 25m (£127,000)
Sr Garcia Enterria, Professor in Administrative Law at Madrid University, Spanish representative on the Euro-pean Court of Human Rights, and one of the architects of the country's regional de-volution law three years to a Pta 200m transfer to Switzerland. He denied tak-ing part in any illegal ac-

The couple and several other people, including the Count of Gamazo—described as a friend of King Juan Carlos's father. Don Juan—provided testimony yesterday at a special monetary offences tribunal.

The case has blown up following the detention as Madrid Airport of Sr Francisco Palazon, a former Spanish consul-general in Geneva, and the discovery by police of two lists of what are alleged to the state of the lists of what are alleged to the state of leged to have been clients of a currency flight network organised by him.

These were reported by the Spanish news agency Efe to carry 4 names including such pseudonyms as Daisy. Lily and Cypress. Other reports surgested that up to 30 wealthy Spaniards might be involved and that the sums concerned could total some Pta 3bn (£15m).

#### **Bulgaria denies** accusations of drugs dealing

By Patrick Blum in Sophia

BULGARIA yesterday rejected U.S. allegations of its involvement in international drugs trafficking and defended its record in fighting drug

smuggling.
At an unusual news conference
here, senior officials described the accusations as "ground-less" and as part of a campaign designed to tarnish

Bulgaria's image.

The accusations have come primarily from the United

A report written last May named individuals, operating in Bulgaria, and accused Kintex, the state trading com-pany, of being at the centre of an illicit weapons-for-drugs traffic.

Mr Georgi Pirinsky, the Deputy Foreign Trade Minister, dis-missed the claim as being without substantive evidence. Kintex was concerned Kintex was concerned primarily with defence pro-curement for Bulgaria and had never acted outside the

Mr Theodor Tsvetkov, Deputy
Director of the Bulgarian
Customs, said his country was
among the first to respond to appeals for assistance to fight the drug smuggling.

# Moscow's spending on weapons shows signs of acceleration



THE Soviet Union has attacked far Moscow has decided to the U.S. defence budget match the increase in Washingstrongly, saying it shows that Washington intends to press There was a 12 per cent ahead with first-strike weapons.
The draft federal budget for
1985-86, in which \$322,7bn is allocated for defence, has "a vividly expressed militaristic character," according to the Soviet news agency, Tass.
Increased defence spending
by the Reagan Administration

has long been criticised by Soviet civil and military leaders as evidence that Washington wants to change the military

Marshal Ogarkov (left): technical changes

There was a 12 per cent increase in the official Soviet military budget for this year, but this budget is only a portion of total defence spending, which takes up to 13 per cent of gross national product.

Under Ustinov, the powerful Defence Minister from 1976 until his death at the end of last year, Moscow's military procurement policy was largely static, according to U.S. estimates. These put intelligence Agency, address categories of Soviet weapons the growth of total defence ing a congressional committee were affected missiles, aircosts at 2 per cent a year from last year, said that in the slow-craft and ships." A spokesman for the Central

OIL TRADERS said yesterday that the reports of cuts in Soviet exports of oil and oil products to West Europe reflected a shortage that has been evident for the past two months, Dominic Lawson

Soviet oil exports are usually only 1.9m barrels a day in the first quarter, compared with the annual average of 2.2m b/d, because of

down in Soviet arms deploy— This may now be changing, ment "practically all major The budget for this year, and

severe weather affecting production, and causing higher demand inside the Soviet Union. The shortfall is likely to be made up later.
Only 0.5m b/d of oil and oil

products appear to be arriving from the Soviet Union at present. This has resulted in a sharp strengthening in spot prices for prompt deliveries of competing crudes from the North Sea and

have increased.

Immediately after the budget was passed by the Supreme Soviet, General Petr Gorchakov, political head of the strategic rocket force, said that defence spending had been raised because of the greater threat from the U.S. and other Nato nations. He added that Washington hoped to damage the Soviet economy by forcing a the impact of higher defense switch in resources from the spending, said: "All soldiers civilian to the military sector must be aware that every lib but that this would not curtail of fuel or every kilowatt of development.

hints by senior Soviet officers, high technology " is leading to imply that defence allocations more costly weaponry and have increased military equipment."

This was the theme strongly pressed by the former Soviet Chief of Staff, Marshai Nikolai Ogarkov, who was dismissed last year. He argued that high technology conventional for nonising warfare and that the Soviet Union must keep up. The Red Star article, noting

electric energy saved, or the More recently, a high-ranking extension of the working life officer wrote in the military of machinery, will save up daily newspaper, Red Star, that sources for the Soviet economy

## France appoints top policeman to run anti-terror campaign

BY DAVID HOUSEGO IN PARE

France's best known policeman who is currently in charge of police operations in Corsica, was vesterday given effective control of France's anti-terrorist forces. The appointment is intended both to reinforce co-operation betseen France's diverse anti-terrorist units and to dramatise the Government's determination over the

It follows the announcement of intensified collaboration is acting on the "vorst" made in Bonn by the French scenario—that the double murand West German governments der in West Germany and on Tuesday after the recent France marks the beginning of murder by terrorists of a West a new wave of terrorism in German industrialist and the Europe, head of French arms sales at Officials in both West Ger-

M. ROBERT BROUSSARD, extreme French Left-wing group, French police believe the guiding hand came from West Germany. The joint communique issued by Action Directe and the West German terrorist group Red Army Faction announcing that they intended to combine forces was in the French text a crude translation from German. The announcement of M

Broussard's appointment is also a sign that the Government

the Ministry of Defence many and France are inclined
Though responsibility for to belive that the murders are
the assassination of General an imexpected resurgence of Rene Audran 10 days ago was earlier movements but they are claimed by Action Directe, the not certain.

#### **Marchais blames Socialists** for decline of Communists

BY PAUL BETTS IN PARIS

secretary general of the French Communist Party, delivered yesterday a blistering attack yesterday a blistering attack received from nearly 2,000 against President François Mit-delegates assembled in a terrand in a marathon opening northern suburb, of Paris also address to his party's 25th reflected the party's profound

address to his party's 25th renected the party's profound congress.

By placing most of the blame Although M Marchais's for his party's recent electoral leadership has been increasdecline on M Mitterrand and the Socalist Party, M Marchais widely expected to renew his put a further nail in the commandate. But for the first time, of the socalised unique of the list likely to be desired.

GEORGES MARCHAIS, withdrew from the coalition But the tone of the speech and the lacklustre reception it

of the so-called union of the is likely to be flanked by a french Left.

His 198-page speech, delivered in two parts, was the most virulent and direct Communist attack to date against ing reforms and greater interthe Socalists since the party nal democracy.

## No realignment of lira in EMS, says central bank

BY JAMES BUXTON IN ROME

of devaluing the lira is com-pletely out of place."

Recent press reports have orities want to lower the central parity of the lira in the EMS in order to help Italian exports
to regain competitiveness.

per cent against sterling and of costs.

THE BANK of Italy has moved to quash speculation that the lira may be devalued within the European Monetary System. It said that to talk of "a policy wise go out of business, and of devaluation to business, and several economists have said that the currency is overvalued. They blame high real interest rates for attracting foreign capital to Italy and pushing up the lira's value.

Hra's value.

However, Sig Giovanni Goria, the Treasury Minister, has rejected any suggestion of devaluation. Apart from the practical difficulties of convincing The lira, as the Bank of Italy points out, is currently one of tical difficulties of convincing the stronger currencies in the Italy's partners in the EMS that EMS. It has been calculated a devaluation was necessary, that, in the year to last October, the authorities believe that a high lira is an extra incentive commanies to become more per cent against other EEC curto companies to become more rencies, including a rise of 5.7 efficient and hold down labour

# to get beef pledge

By Quentin Peel in Brussela THE EUROPEAN Commiss has refused to give Australia an undertaking that it will not sell surplus beef at a discount in Far Eastern markets, but declared that it had no intention of doing so "in present circumstances." The assurance, given by Mr Frans Andriessen, the Agricul-

ture Comedissioner, falls some way short of the agreement sought by Mr Bob Hawke, the Australian Prime Minister, who is now in Washington for talks

It emerged in lengthy talks on Tuesday between Mr Andriessen and Mr John Kerin, the Austral-ian Minister for Primary Industry, which covered the whole range of competition in interna-tional agricultural trade between the EEC and Australia, including dairy products, cereals and wine.

Mr Hawke had called for a promise that the EEC would not sell subsidised beef to the East

ian and Pacific region, including Japan, which constitutes Australia's second most important market after the U.S. He also urged the Comm to cut back exports of other subsidised farm products to the re-

gion, charging that they were un-fairly undermining Australian Commission officials said Mc Andriessen's statement was intended to reassure Australian farmers increasingly concerned at Europe's growing beef exports; which rose from some 609,800 tonnes in 1983 to around 800,000 tonnes last year.

The Commission had agreed to granted for cheese going to the Australian market, another concern raised by Mr Kerin.

### Ban requested on animal

feed hormones BRUSSELS - The European

Community Consumers Bureau (BEUC) yesterday called for a general ban on the use of all hormones in animal feed, adding its weight to a two-week-old year boyest sponsored by a French onsumer association.
Mr Tony Venables, BEUC

chairman, said the group wanted EEC states to agree to outlaw the use of all growth-boosting hor-mones by larmers, and threatened to organise a Europe-wide consumer boycott if their demands were not met.

Kyprianou 'no' to poll Cyprus President Spyros Kyprianou, under heavy fire from domestic critics over the reuniting the island, yester-day ruled out early elections over the issue, Reuter rports

# Hawke fails | Helicopter study by 5 Nato nations

feasibility studies into a new military helicopter jointly with France, West Germany, Italy and the Neth-

The studies are expected to start this year between industries of the five countries after a formal memorandum of understanding is signed by ministers in the next two or three months.

The new helicopter, which would weigh about eight tons and be

BRITAIN has agreed to conduct men, would replace a series of helicopters presently in service in the five Nato nations. It might come into service between 1993 and 1997. However, endorsement of the new programme, still at an early

> tary, and for Westland Helicopters, Britain's only helicopter maker. Although Westland will be involved in the new project, it would come to fruition too late to solve the

stage, is a source of potential embarrassment both for Mr Michael Heseltine, the UK Defence Secre-

company's immediate problems, that he will not replace the RAF's which centre on a gap in its product. Wessex and Puma fleets until a new tion lines between 1986 and 1989. To plug the gap, Westland is hoping that Mr Heseltine will agree in the next few months to buy its is that the Defence Secretary might westland 30 aircraft, suitably adapted, to meet a Royal Air Force land, leaving the balk of the original helicity.

By endorsing the new feasibility ment costs, as well as extra runn study, however, Mr Heseltine is costs for two different transport

joint-venture Nato helicopter le

requirement for replacing its fleet for the joint multinational helicon of 100 Wessex and Puma transport ter. That would be the more cast option, since two lots of devel

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BY MARY

ME U.S. Significant of the series of the ser

## Hungary leads E. Europe in assault on lead

HUNGARY HAS become the similar to the level in the UK such cars. first country in Eastern Europe to announce measures to reduce the lead in petrol, and the sulphur in diesel and heating oil. The move follows steps by neighbouring Austria and West Germany to make lead-free petrol mandatory soon in new

and most other European coun-

Lead-free petrol will be sold from next January at ten fill-ing stations along the main 0.5 per cent, leading to a sharp transit routes through Hungary. drop in sulphur dioxide emis-ts will be intended for Western sions. Buses in Budapest, which motorists, whose cars are equipped with catalytic convert-

and home fuel oil this year from more than 1 per cent to has serious air pollution, are to use diesel fuel with 0.2 per cent

Hungary also intends to lower

the sulphur content of diesel

West Berlin and West Germany. It has rejected charges by West Berlin's mayor, however, that pollution from East Berlin and East Germany was largely responsible for a series of smor alarms in the city last month West Berlin scientists say that much of the pollution plaguing The lead in Hungarian petrol ers. The bulk of Hungary's tourhas been lowered to 0.4 ists come from Austria and grammes from 0.6 grammes per West Germany and are exlitre for regular petrol. This is pected increasingly to drive gin offering lead-free petrol to Germany.

## West German union fights pollution critics

THE WEST GERMAN chemical workers' union, IG Chemie, is taking a fighting stand against environmentalists in the con-

pollution.

Herr Hermann Rappe, the viewed at length in the house and other areas). tough and outspoken union president, believes that the chemical industry is "too defensive" on environmental postution. issues. Everyone involved, It is not only determined to more assertive in pointing out chemical employers, it is that they are contributing to urging them to speak up to the speak

ing waged by the country's outgoing President, General Antonio Ramalho Eanes, to re-

Gen Eanes cannot constitu-

tionally run again for President, but wants to stay in poli-

tics after his term expires in December. He has been trying

to form a party of his own in-volving a cross-section of mili-

tary officers who once sat on the Revolutionary Council with him, small businessmen and

farmers, industrialists and technocrats.

as quickly as its promoters hoped. It is hampered by the

President's inability to be ac-tively involved as long as he

The party has not taken off

main in politics.

cerned to prevent chemical the company in taking legal workers being regarded as action against members of the poison brethren" within the union movement.

IG Chemie, one of West The Hoechst management and

urging them to speak up more technological progress and that Germany's biggest unions, has loudly against the critics who they are already doing a lot to .638,000 members, including blame the industry for improve the environment, 280,000 in the chemical industry for improve the environment, 280,000 in the chemical industry Greens.

Herr Rappe, who is inter- (the rest in paper, ceramics debate.

journal of Bayer, the chemical

and pharmaceutical concern,

says he has always been con-

As if rallying to Herr Rappe's call, workers at Hoechst, the big chemical concern, have joine

the workers council claim that they were slandered by the Greens during city council.

#### W. German food group faces cartel action

By Our Frankfurt Staff

THE West German Cartel Office THE political upheaval in has signalled its intention to Portugal caused by the resignahas signalled its intention to take action against Selex & tion late on Tuesday night of Tania, an association of 100 West German food retailing and wholesaling concerns with sales revenue of DM 18bn (£5bn) a year.

The has tald the association of the companies being the companies of the companies being the companies of the com

year.

It has told the association that it cannot continue to operate in its present form or with its present ownership. The Office also intends to investigate other associations in

which food retailers have joined forces to buy goods from suppliers at concession rates for later sale to the public.

The companies involved in Selex & Tania operate throughout West Germany, but mostly in the control in West playing the control in the in the north and in Westphalia. Retail stores who are members of the association buy goods from the wholesale traders who are also members, although they are free to buy elsewhere. It is understood that purchases

is understood that purchased tively involved as long as he organised between members of the association are running at its in office, and by its image as a cast of characters without about DM 1bn a year.
The Cartel Office said yesabout DM 1bn a year.

The Cartel Office said yesterday that, in principle, it was in favour of independent traders getting together to buy goods, because many small and medium-sized enterprises would not otherwise be competitive.

But every time the PSD indules in one of its frequent intra-party factional squabbles, the latest of which has claimed Sr Mota Pinto as its victim, Gen Eanes's followers' hopes of attracting more support from medium-sized enterprises would not otherwise be competitive attracting more support from yoters dismayed by established

stores.
It had grave doubts, however. when the retailers involved were large concerns which might increase their market power in relation to suppliers and consolidate their existing competitive advantage over small traders.

In recent years the Cartel
Office has given close scrutiny
to a spate of transactions in
which retail concerns have
agreed to merge or to take a
financial stake in other retail

Ceuta demand

Moroccan newspapers yesterday caleld on Spain to negotiate the return of its enclaves of Ceuta and Melilla to Morocco, now that it has begun talks with Britain on the question of sovreignty over Gibraltar.

protested to the Polish Govern-ment against attacks made on it

Polish trial protest

## Eanes waits in the wings while Portugal's coalition squabbles

BY DIANA SMITH IN LISBON



Prof Mota Pinto: quit as party leader Pinto have done their utmost to prevent such a scenario from developing before June 30, when the President can no longer act to dissolve Parliament and must wait until his term expires in December.
Yesterday, Prof Mota Pinto told Sr Soares that he was prepared to give up government office (he is Defence Minister

omce (he is Detence minister as well as Deputy Prime Minister) following his resignation from party office.

But Sr Soares asked him to stay on until the problem of the PSD leadership is resolved. A summit meeting of the two coalition parties will be held their week to debate the crisis. mario Soares's Socialist Party, next week to debate the crisis.
The senior coalition partner.
The senior coalition partner.
The senior coalition partner.
The senior coalition partner.
They want to choose their own front runner; some like occur until the SPD holds a pendent inilitary candidate, to there want a civilian contender.

They want to choose their own front runner; some like occur until the SPD holds a pendent inilitary candidate, others want a civilian contender.

Parliament and calling a snap general election—in which his new party would take part—unless the Government collapses and democratic institute.

carry him back to the party leadership at the April congress.

The PSD rank and file has a strong provincial make in with no taste for the power plays and chronic disruption generated from Lisbon. This week's crisis is only the latest in a long line. of In 1976 dissidents drove out the late Sr Francisco Sa Carneiro, the PSD's most charismatic figure. After his withdrawal from the party, Sr Sa Carneiro, returned Carneiro returned as its president a year or so later. In 1979 and 1980 he led an alliance of Social and Christian Democrats to sweeping electoral victories but died in an air crash in 1980 before his programmes could be put into practice.

of In 1981, PSD hecklers-beseiged Sr Sa Carneiro's unanimously elected PSD suc-cessor, Sr Francisco Balsemao. He, too, resigned, returning with greater support later, Britthe skirmishes continued and Sr Balsemao resigned for good as party president and Prime Minister in December 1982. Soon after, Prof Moto Pinto was chosen as leader, also

At issue in the PSD's latest-crisis is the choice of candidate for this year's Presidential elec-tions to replace Gen Eanes. Sr

But no final demonstrated a special party congress in the sirst week of April. Many politicians have interpreted a prof. Mota Pinto's resignation as a tactical withdrawal to allow a started unsettling the PSD late last year, severely delaying vital economic measures the coalition wanted to introduce and causing friction between Sr Soares and Dinto. and democratic institutions are strong groundswell in his wanted to introduce and causing hreatened.

Sr Soares and Prof Mota party rank and file. This would Prof Mota Pinto.

## Irish move on contraception

BY BRENDAN KEENAN IN DUBLIN

Dr Garret FitzGerald had majority of six promised to liberalise the law The opposition

THE IRISH Government is to publish a Bill today to liberalise the provision of contraceptives. Under its terms anyone over 18 which will be opposed by the will be able to buy non-medical contraceptives from a chemist or health centre. At present only married people can obtain contraceptives on a doctor's liberalise of the Bill is processed ally if the Bill is processed all it thought it The opposition Figure Fail majority.

ment looks like having a

#### AS TRIDENT'S COST TO BRITAIN SOARS

## French push missile collaboration again

GENERAL JACQUES MITTER-

Brother of the French President and now chairman of France's Aeronautical and Space Industries Association, Gen Mitterrand revealed that he put forward the suggestion inform-ally to Mrs Margaret Thatcher, the British Prime Minister, a few years ago. She replied that the idea was not feasible as Brfitain's nuclear submarines were not suited to take France's

ballistic missiles.

The idea of possible technical collaboration between Europe's

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Some UK commentators have suggested that Britain should take another look at the option of using French missiles in view of closer links on defence collaboration between the two countries and France's now established expertise in missile development.

Gen Mitterrand, who was answering questions at a meeting with journalists, said French
a range of more than 4,000 km—
with the U.S.

two nuclear weapons states, officials in 1982 made overtures pared with British requirements which has been mooted sporadic- to Britain about selling France's for a minimum credible inde-

Although a British govern- of freed ment committee at the end of Trident. the 1970s did briefly consider the "French option" as an alternative to replace Britain's ageing Polaris submarine-launched weapons, the matter was never seriously pursued.

The political climate, officials from both countries say any ageing Polaris submarine-franco-British collaboration on functional frances. The political climate, officials alternative to replace Britain's from both countries say any the political climate, officials alternative to replace Britain's from both countries say any the political climate, officials from both countries say any the political climate, officials alternative to replace Britain's from both countries say any ageing Polaris submarine-france-britain from both countries say any ageing Polaris submarine-france-britain's from both countries say any france-britain from both countries from both cou

He emphasised, however, that this would only be as part of an overall French government policy, and also that the lead would have to come from the British.

French Defence Ministry estimated by the UK Government to UK Government at £10.4bn over the next submarine technology, and has submarine fleets.

RAND, the former chairman of French state-owned aerospace group Aerospatiale, yesterday said possible collaboration between France and Britain over muclear weapons would be a "marvellous idea" but stressed that any decision would need considerable political will on both sides.

Some UK commentators have which has been mooted sporadically to Britain about selling France's ally over the past 30 years, has the ballistic missile system to gendent deterrent. Gen Mitterrand said yester-day the UK in preference to find the did not want to intrude into the domestic intrude into the domestic missile-launching submitch have been delayed in maxines with the Trident weapon.

Some UK commentators have the past 30 years, has ally over the past 30 years, has the ballistic missile system to gendent deterrent.

Gen Mitterrand said yester-day the did not want to intrude into the domestic intrude into the domestic missile-launching submitch have been delayed in but suggested that collaboration on a French-built system would give the UK an "extra degree of freedom" compared with the UK.

Some UK commentators have the past 30 years, has ally over the past 30 years, has the did not want to intrude into the domestic intrude into the domestic intrude into the possibility of joint efforts in develop the M5, studies on but suggested that collaboration on a French-built system would give the UK an "extra degree of freedom" compared with the UK.

Even with an improvement in

the political climate, officials

as never seriously pursued. very difficult because of the French officials suggest that independent path followed by the M4 missile-armed with six. France since the 1950s and answering questions at a meeting with journalists, said French industrialists would be more suited to interested in opening up "a real discussion" with Britain over nuclear collaboration.

Industrialists would be more suited to However, possible areas of interested in opening up "a Britain's needs than the regotiation have opened up in Trident system. At a cost now estimated by the UK Govern shown interest in acquiring access to secret British nuclear

The Roman Catholic Church has

officers accused in the murder of the pro-Solidarity priest. Fr Jerzy Popieluszko. The trial ver-dicts are expected today.

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Brazil's left wing gathers its forces AS MILLIONS of Brazilians Governor tried hard before the celebrated the electoral victory
of Sr Tancredo Neves, the

January elections to persuade
President Joso Figueiredo—a opposition leader, over the military regime's presidential candidate last month, Left-wing opponents of the country's new would be better placed to take leader were already busy at over-

movement—activists were hand-ing over leaflets entitled "the farce of the electoral college."

political allies for having gone along with the military-designed indirect election, union officials from CUT, a Left-wing federation, rejected out of hand the new president's proposed "social pact" with workers aimed at restraining wage claims in return for greater labour freedoms.

Meanwhile, in Rio de Janeiro the country's enfant terrible, the Governor Leonel Brizola, was also staking out his claim to lead the opposition from the Left to the newly restored civilian government.

Temporarily thwarted in his ambition for the crown this year. Sr Brizola is preparing the ground for another attemptthis time in direct presidential elections promised for 1988.

So burning is his ambition met discreetly in Brasilia late nat the Rio de Janeiro last year to discuss common

work.

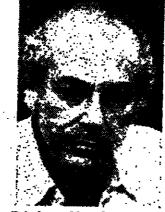
In the ABC districts of Sao
Paulo—the most heavily industrialised region of the country and seedbed to its trade union

His current political vehicle is the Democratic Workers'
Party (PDT), an ill-assorted group of camp followers without any distinct ideology other than loyalty to their charis-matic leader.

arce of the electoral college." The party's strengths are in Attacking Sr Neves and his Rio Grande do Sul State, Sr Brizola's home base, and, since 1982, in Rio de Janeiro. More recently, in preparation for the widespread political realignments expected early on in the Neves Government, the PDT has been expanding its presence in Sao Paulo State as well. A strong presence in the country's major city is vital for anyone hoping to make a national show-

> The goal of the Rio de Janeiro Governor is to create and head a new Socialist Party. This would be an alliance of the Left-wing of the Brazilian Democratic Movement party (PMDB, the Workers' Party (PT) of Sr Luis Ignacio da Silva, the trade union leader better known as Lula, and Sr Brivalle own creal band. and Sr Brizola's own small band of followers.

The three Left-wing groups



Andrew Whitley, in Rio de Janeiro, on rising opposition to the president-elect

Brizola: staking claim to lead

action and possibly a joint front. But the meeting broke up, according to one participant, over Sr Brizola's insistence that only he could lead the move-

The personality of Sr Brizda apart, other major obstacles also exist to any union of the

Unless they are totally shut out of influence in the new government—an unlikely eventuality given Sr Neves' conciliatory abilities—most of the PMDB left-wingers would increasingly noisy Brazilian long rather stay within the country's labour scene are more sanguine largest party so as to be able organisation has been the main wage rip-representation has been the main wage wage wage.

iside. level, although they expect More important, the Workers' much more local strife in the Party is in its gravest state of crisis since its birth five years ago in the grimy ABC industrial townships.

They point to the existence of the rival trade union federation CONCLAT, headed by the

And a long-brewing struggle for power, pitting Lula's more moderate leadership against ultra-Leftist party activists, emerged into the open over the issue.

Sr Soares, who along with two other PT deputies faces expulsion from the party for attending the Electoral College and voting for Sr Neves in defiance of party instructions, said recently the greatest threat to the incoming Government could come from the combined efforts of a more Left-wing PT and its trades union allies in

What he and other moderate Left-wingers fear is that Brazil could follow, albeit to a lesser degree, the path taken in neigh-bouring Bolivia. There, the powerful COB trades union organisation has been the main impediment to President Hernan Siles Zuazo's attempts

to exercise pressure from the could present on a national inside.

trial townships.

The party was deeply split sover whether or not it should boycott the 'illegitimate' It is probably prepared to make a deal with Sr Neves on some and a long-brewing struggle for power, pitting Lula's more

Despite the open hostility of the PT-CUT alliance to the new government—dismissed as the continuation in a new guise of the old regime—its impact is lessened by the fact that its strength is largely confined to

Sao Paulo State.
However, the Government's first challenge from the unions is likely to come early on. The deadline for the ABC metalworkers, traditionally the most militant in the country to militant in the country, to reach their annual pay settle-

ment is April 1. two weeks after Sr Neves takes office. On one side of a union fed-eration keen to flex its muscles early on will be an inexper-ienced Government committed simultaneously to restoring real wage levels and keeping down rip-roaring inflation. On the other side will be many of the major multi-national companies based in Brazil, concerned to preserve labour peace for as long as possible in what is

## Eximbank plans to subsidise rates

By Nancy Dunne in Washington

which is threatened with the loss of its direct lending authority under President Ronald Reagan's budget. plans to use \$136m of its own resources to subsidise interest rates charged by commercial banks on

Speaking on Capitol Hill on Tuesday, Mr William Draper, Eximbank chairman, said the bank was willing to forgo direct lending in the interest of reducing the budget deficit But the agency would continue. cit. But the agency would continue to help exporters faced with those foreign competitors who benefit from lower export finance costs.

Eximbank will use its funds to reduce the cost of U.S. private sector lending to the minimum levels established under the Organisation for Economic Co-operation and Development consensus on export finance interest rates. Members of the Senate trade sub-

committee, hearing Mr Draper's testimony, said they would oppose the abolition of Eximbank's direct

Eximbank had countered foreign mixed credits from its own resources on several occasions, but could no longer afford to do that. | pulled out of El Salvador and

**Contadora** treaty

Managua pushes for

strengthening of

NICARAGUA NICARAGUA is seeking stronger guarantees for the delmilitarisation of Central America, Nicaraguan Vice-America, Micaragiam VicePresident Sergio Ramirez
announced in London yesterday.
Sr Ramirez who saw Sir
Geoffrey Howe, the Foreign
Secretary, yesterday and who is
to see Mrs Margaret Thatcher
tomorrow, said Nicaragua would accept stronger provisions for the control and verification of troops and weapons in the isthmus than those contained in the regional peace treaty drafted by the four-nation Con-

tadora group.

Nicaragua is the only Central American country to have ex-pressed its willingness to sign the Contadora treaty, which has been criticised by the U.S. for

while accepting the need for a strengthening of the Contadora draft treaty, Sr Ramirez said that the document should not be altered in any matter of principle. The four governments of the Contadora group reques-ted changes when they presen-

ted the draft in September. Sr Ramirez pledged that Cuban military advisers would be withdrawn from Nicaragua immediately U.S. troops were

Honduras. He denied that Nica-ragua had recently received military aircraft from the Soviet Union.

"Our air force today consists of two ancient T-33 aircraft which keep in the air by some miracle—despite the fact that our relations with the Vatican are not good," he said. Earlier he had criticised the Vatican's suspension from the use of their priestly functions of four Nicaraguan clerics who are mem-hers of the government. Sr Ramirez said that the prin-

cipal aim of his visit to Western Europe was to persuade European governments to use their influence with President Ronald Reagan of the U.S., to call off military attacks on Nicaragua Though he called his talk with Though he cance his talk when sir George "frank and cordial." he would not reveal whether the British Foreign Secretary had undertaken to pass on Nicaragua's preoccurations to Washington

The Vice-President praised the decision of Western Euro-pean foreign ministers to meet their Central American counterparts in San Jose in September and added that, at the initiative of West Germany and Italy.

pations to Washington.

## Figueiredo set to act over Sunamam affair

PRESIDENT Joao Figueiredo is expected to take belated action within the next few days to ease a protracted dispute between the Brazilian Government and local and foreign loans to Brazilian bank lenders to the country's troubled shipbuilding industry.

The dispute, over responsibility for \$545m (£495m) in loans to shipyards, has sim-mered for the past 18 months —ever since the Transport Ministry abruptly halted all loan payments and opened an official inquiry into the privatelyowned yards' accounts.

Adding scandal to an already acrimonious battle, in recent weeks a spate of allegations of misuse or misappropriation of funds destined for a 10-year, \$3.3bn shipbuilding programme have also emerged in public.

At the heart of the dispute is Sunamam, the former mer-cham marine authority responsible for the shipbuilding drive the Second Naval Construction

Sunamam was broken up by the Government in mid-1983 when it ran out of funds and back two-thirds of the total outwas unable to meet its debt service obligations to local or foreign banks. Last week a Government commission began investigations into "irregularities" in the federal agency's work over the past decade.

By law the commission has up

to 90 days to complete its report but Sr Cloraldino Severo, the Transport Minister, has promised results before the Figueiredo Government's man-date expires on March 15. The "Sunamam Affair" has already caused significant losses the negotiations with the Transport Ministry.

Continuing deadlock or an adverse outcome could also have highly damaging con-sequences for several major Brazilian shipyards. They form part of an industry which grew rapidly in the late 1970s into one of the biggest and most modern in the Western world but is now suffering from a combination of overcapacity. thin order books and crushing debt.

To make matters worse, the wrangle threatens to prejudice Brazil's hopes of an ambitious, multi-year rescheduling programme for its \$100bn foreign

Midland Bank group which has an exposure in Brazil of \$2.1bn, said recently it would not participate in any new rescheduling arrangement until the Sunamam affair is cleared up—a position other western banks sympathise with Against this background, the

Government was reliably reported this week to have decided to formally assume legal responsibility for those loans it has not already accepted yard debt still to be rolled over —those guaranteed by the or renegotiated to nearer \$700m.

loans to Brazilian shipbuilders

former shipping authority. This action will probably take the form of a decree-law signed by President Figueiredo, bankers

say.

For the Government its impact should be to ease the pressure from the banks, angry at what one western banker Transport Ministry's "outrageous behaviour"

. In practical terms, the decre is likely to disentangle the inter twined questions of responsibility for the debt contracted and the use or misuse to

which the loans were put.

Local banking sources say
that in this, the third round of renegotiation of Sunamam debt, the Government intends to pay Two earlier rounds covering direct loans to Sunamam itself were renegotiated in December

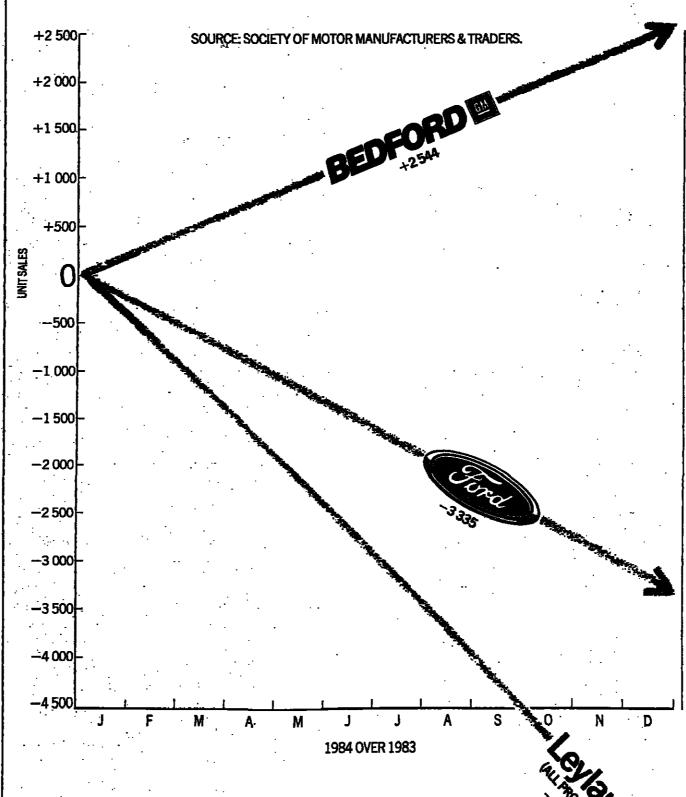
1983 and early last year.
With six out of the seven leading yards' books examined the Government has been pre pared up to now to assume only what it considered to be "legitimate" debt, properly "legitimate" debt, properly incurred and utilised. Sr Severo recently declared that only \$95m out of \$245m examined was "legitimate." rest, it was clearly implied, would be up to the shipyards and the banks to sort out between themselves

According to Sr Jose Carlos Dias de Freitas, Secretary-General of the Transport Ministry, some of the loans on the basis of proper authority from from Sunamam under an internal regulation known as Resolution 6043. But other financial credits, he said, were based on protocols with no legal

standing.
Since funds were only to have been advanced from Sunamam to the yards for ship construction, when the vessels were sold the advances were meant to have been repaid. But in most cases this did not happen.

In the face of the transport ministry's intransigent stance. the banks—acting through An-bid the Brazilian investment bank association—have adopted an equally hardline position. Not only are they insisting on full repayment of back interest. but also on penalty payments and compensation for the cost of funding the unpaid interest. Altogether this could raise the final cost of Brazilian ship

# COMMERCIAL VEHICLE SALES IN 1984 HELD SOME SURPRISES. EVEN FOR BEDFORD.



UK commercial vehicles registrations in 1984 revealed some good news.

And some bad news.

The good news was a healthy 6.9 per cent increase in sales by Bedford.

This being against a modest growth of only 0.4 per cent for truck and van registrations overall.

The bad news, for other major commercial vehicle manufacturers, was a chilling decrease in registrations of many thousands.

While in real terms Bedford showed a major increase of 2 544 new vehicle registrations over 1983's figures.

This success is only partly due to runaway demand for the Bedford Astra Van.

At the heavier end, overall truck registrations increased by 5.7 per cent but Bedford's volume increased by 11.9 per cent, more than double the average increase.

Bedford already is Britain's largest specialist commercial vehicle organisation (and a major exporter for 50 years).

Bedford's increasing sales are a convincing demonstration of our belief that specialisation means vehicles better specified to do the job.

Yet as large as we are in terms of sales and lead position, the resources behind Bedford are even greater.

Bedford is part of the General Motors Truck and Bus Group, the world's largest manufacturer of commercial vehicles.

Together we're evolving our commercial vehicle range with advanced new entries.

And these are likely to be an even more unpleasant surprise for the competition.

Now the driving force.

Bedford Commercial Vehicles, Division of General Motors Overseas Commercial Vehicles Corporation, P.O. Box No. 3. Luton LU2 OSY.

## U.S. gives first public rebuff to Pinochet

BY MARY HELEN SPOONER IN SANTIAGO

it will abstain from voting on a \$130m (£48m) Inter-American Development Bank credit to Chile scheduled for approval today. The move is in protest against General Augusto Pinochet's decision to renew the country's state of siege for an-

other 90 days. The abstention will be the first time the Administration of President Ronald Reagan has publicly adopted a measure against the Pinochet regime. to diplomatic notes and carefully worded "expressions of last November, the regime has concern" written by State De- ordered over 500 people into

THE U.S. has announced that The IADB loan, which is to be used for industrial development projects, is expected to be approved despite the U.S. abstention. Last year the bank approved five separate loans for Chile totalling nearly \$300m.

U.S. representatives to the LADB sought postponement of the vote twice last month, while waiting to see whether General Pinochet would renew the state of siege.

The siege gives Chilean auth Until now, Mr Reagan's Govern- orities extraordinary powers to ment has confined its actions deal with internal security threats. Since its imposition partment officials in Washing internal exile in remote parts of the country.

# Hawke's troubles are only just beginning

Hawke and Labour in March.

thousands of miles, Mr Bob Hawke's ears must be burning. After talks in Washington yesterday with Mr Caspar Wein-berger, the U.S. Defence Sec-retary, the Australian Prime Minister will meet President Reagan and Mr George S hultz, the U.S. Secretary of State, today to explain his U-turn in deciding that Australia will not, after all, co-operate with the monitoring of American MX missile tests in the South

Mr Hawke's backdown on the MX issue is potentially a more serious threat to defence rela-tions between the U.S. Aus-tralia and New Zealand than Wellington's refusal to allow port facilities to U.S. nuclear armed or powered ships.

Whatever pressure Mr Hawke comes under in Washington, it looks as if it will pale into less significance than the heat he is likely to face at home.

He is caught in a horrible position between the Leit-wing of his own Australian Labor Party (ALP) and the bulwark of middle-ground opinion which sees the MX backdown as a humiliating retreat for a Prime Minister who was formerly a zealous—even fawning—champion of every element of U.S.

Superficially it looks as though the MX business was a no-win proposition for Mr Hawke—that



Mr Hawke (right) being greeted in Washington.

agreeing to co-operate in two test firings of the MX long-range missile into the Tasman Sea, and damned if he did not. However, the view in Australia is that Mr Hawke has brought the controversy on his own head—that the fury of the Left, and now the anger of the Right, were triggered by Mr Hawke's own arrogance, insensi-tivity, and penchant for

The original decision to coe MX business was a no-win operate in the MX tests was facility to refuel in Australia, walking into an even worse domoposition for Mr Hawke—that made by the Fraser Governwould have been damned in ment, which lost power to Mr standing given by a previous that his climbdown on the MX

"Further, at a time when we of U.S.-Soviet arms control negotiations, to have denied the assistance sought would not have advanced that position." One of Mr Hawke's mistakes

was in not taking the issue to Cabinet, and in ignoring the ALP'S parliamentary caucus, an example of high-handedness that infuriated a cross-section ALP and trades union

These are that Mr Hawke's grasp of foreign policy is "elemental," that his notorious vanity and penchapt for strut-ting the international stage was undermining the subtlety and success of Mr Hayden's own foreign policy handling and approach; and that Mr Hawke has once again exhibited a peculiar knack for stirring up his own Left-wing, which can be mollification. fied, for fairly long stetches at a time, by the odd pat or bone,

scholes, then Defence scholes, then Defence arlier this week when Mr Hawke became clear earlier this week when Mr Hawke signalled not only a totange of mind on MX tests, for in full Cabinet. Indeed, it was only made fully public last Friday when Mr Kim Beazley, the new Defence Minister stated:

"The Covernment took the view that to deny U.S. aircraft facility to refush to the state of the most of the matter of the mutiny confirming Mr Hawke became clear earlier this week when Mr Hawke signalled not only a total this sudden readiness to tell president Reagan that Austratia the opposed his Star Warm facility to refush the most of the mutiny confirming Mr Hawke became clear earlier this week when Mr Hawke signalled not only a total thing the most of the mutiny confirming Mr Hawke became clear earlier this week when Mr Hawke signalled not only a total thing the most of the mutiny confirming Mr Hawke became clear earlier this week when Mr Hawke signalled not only a total thing the most of the mutiny confirming Mr Hawke became clear earlier this week when Mr Hawke signalled not only a total thing the most of the mutiny confirming Mr Hawke became clear earlier this week when Mr Hawke signalled not only a total thing the most of the mutiny confirming Mr Hawke signalled not only a total thing the most of the mutiny confirming Mr Hawke became clear earlier this week when Mr Hawke signalled not only a total thing the most of the mutiny confirming Mr Hawke signalled not only a total thing the most of the mutiny confirming Mr Hawke became clear earlier this week when Mr Hawke signal the most of the mutiny confirming Mr Hawke became clear earlier this week when Mr Hawke signal the most of the mutiny confirming Mr Hawke became clear earlier this week when Mr Hawke became clear earlier this week when Mr Hawke signal the most of the mutiny confirming Mr Hawke became clear earlier this week when Mr Hawke signal the most of the mutiny confirming Mr Hawke signal the most of the mutiny confirming Mr Hawke signal the most of the mut

age the Australia, New Zealand, U.S. treaty (Anzus) were pressing for a resumption and that he is jeopardising Australia's defences.

the present argument leaving most Australians convinced that it is ready to leave this country defenceless, it could rule itself out of office for years . . .

Another added: "To change a Government decision on a matter like this in the space of about a week will suggest to Washington that our fidelity is sometimes undermined by opportunism.

Crucially, the MX controversy has exposed serious weaknesses inherent in Labor's foreign policy, as orchestrated by Mr Hawke, which has sought continuing Australiau shelter under the U.S. nuclear umbrella while at the same time professing an independent line on disarmament as a sop to growing power of the anti-nuclear movement in Australia.

Mr Hawke and his Right-wing
Cabinet have tried to be all
things to all men, and have
failed spectacularly.
Mr Malcolm Fraser, the
former Liberal-National Party

Prime Minister, said yesterday: "Now that consensus has been abandoned within the Australian Labor Party, the Left will continue to press its views until Mr Hawke modifies his, or is

## New Zealand takes the threat of U.S. trade retaliation seriously

BY DAI HAYWARD IN WELLINGTON

CONCERN MOUNTED in New Zealand yesterday that the U.S. tralia's defences.

One newspaper said yesterday: "If the ALP comes out of Wellington's ban on U.S. nuclear warships from using the country's ports.

While the U.S. threat is officially still only a vague suggestion, the New Zealand Cabinet had been warned by Trade Minister Michael Moore ahead of its decision on Tuesday to reject the Americans' latest request to use New Zealand ports — that possible reprisals could extend beyond the military area and hurt New Zealand exports.

The Government was prepared for the U.S. to cut the flow of military intelligence and remove New Zealand's right to buy defence equipment at special low prices. Both Prime Minister David Lange and Defence Minister Frank O'Flynn said as much.

Although Mr Lange describes the U.S. threat as "bluster and bullying," concern continues to grow that the U.S. might hit back forecably by making New Zealand an example to other countries which might be encouraged to adopt blanket anti-nuclear policies. Officials in Wellington see the inter-national dairy market as the area in which the U.S. could do serious harm with very little effort on its own. More than



Mr Lange: 'bluster and

a fifth of New Zealand's export earnings come from the sale of dairy products.
While Wellington is still obviously hoping that, because

heavy-handed retaliation against one of the world's smaller nations could damage America's reputation, the Reagan Administration will stop short of carrying out any trade reprisals, several areas in which the U.S. could hit at New Zealand have been pinpointed. These include: Withdrawal of Administra-tion opposition in Congress to legislation trying to restrict agricultural imports into

the U.S. In the past the Admin-istration has fought hard to protect New Zealand from efforts to impose agricultural quotas or restrictions Withdrawing support for New Zealand butter sales in third countries. When America sold large quantities of butter to countries where New Zealand also already had a market the U.S. insisted a quantity also be bought from New Zealand. It did this with New Zealand. It did this with New Zealand, It and uns with Iraq late last year resulting in Iraq buying several thousand tonnes of New Zealand butter.

The U.S. is New Zealand's biggest beef market. The U.S. could easily reduce the quota of beef imported from New Zealand replacing it from other suppliers.

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 Dumping butter on the world market at below the world minimum price. The U.S. has already given notice it is pulling out of the Gatt dairy price agreement. Just a few thousand tonnes of American surplus butter dumped on to markets supplied by New Zealand could in effect wreck New Zealand sales.

The U.S. could use its infinence in Europe or Japan to encourage reductions in purchases of dairy products and Lamb or, particularly in the case of Japan, to resist New Zealand efforts to have import restrictions eased.

Redemption Notice

#### City of Oslo (Norway) 9% Sinking Fund External Loan Bonds due March 1, 1988

NOTICE IS HEREBY GIVEN, pursuant to Fiscal Agency Agreement dated as of March 1, 1976 under which the above described Bonds were issued, that Citibank, N.A., Fiscal Agent, has selected by lot for redemption on March 1, 1995 through the operation of the Sinking Fund. \$2.793,000 principal amount of said Bonds at the Sinking Fund redemption price of 100% of the principal amount thereof, together with accrued interest to the date fixed for redemption. The serial numbers of the Bonds selected by lot for redemption are as follows:

| NIID | 7-116 | 14453 | 15187 | 15722 | 17527 | 17722 | 18529 | 18861 | 18396 | 20002 | 20904 | 2219 | 22765 | 24447 | 26466 | 22305 | 25440 | 23575 | 34410 | 34945 | 35447 | 36015 | 38550 | 2457 | 7314 | 14480 | 15192 | 16723 | 17261 | 17796 | 18511 | 18486 | 19401 | 20007 | 20908 | 22223 | 22769 | 24462 | 23640 | 22400 | 23540 | 34340 | 34442 | 34443 | 34443 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | 34445 | | Column | 1,770 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,570 | 1,5

On March 1, 1985 there will become due and payable upon each Bond selected for redemption the said redemption price, together with interest accrued to the date fixed for redemption. Payment of the redemption price of the Bonds to be redeemed will be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment therein of public and private debts, upon presentation and surrender of said Bonds, with all coupons appertaining thereto maturing after the date fixed for redemption, at the Municipal Processing Window, 5th Floor of Citibank, N.A., 111 Wall St., in the Borough of Manhattan, The City of New York and subject to applicable laws and regulations, at the main offices of Citibank, N.A. in Amsterdam, Brussels, Frankfurt (Main). London, Milan and Paris, and Kredierbank, S.A. Luxembourgeoise in Luxembourg. Payment at the offices of Citibank, N.A. in Europe referred to above will be made by check drawn upon a bank in New York City or by a transfer to a dollar account maintained by the payee with a bank in New York City.

On and after the date fixed for redemption interest on said Bonds will cease to accrue. Coupons due March 1, 1985 should be detached from the Bonds and presented for payment in the usual manner. the Bonds and presented for payment in the usual manner.

For the CITY OF OSLO (NORWAY)
CITIBANK, N.A.

## **INDIAN SPY CASE**

## Soviet diplomat 'to leave Delhi'

BY JOHN ELLIOTT IN NEW DELHI

a spokesman for the Indian information other contracts for which it refused to deny newspaper reports about the East European countries diplomats and repeated that "investigations are continuing along with appropriate action."

There was, however, no sign reported yesterday to have conpeased that "investigations ment wanting to upset diplogovernment secrets to two are countries involved at this stage among 15 people already arrested with trading links with the line of the investigations, beyond arrested with trading links with the line of the contracts for which it and commerce Ministry was reported yesterday to have conpeased that he had been passing government secrets to two lines of the contracts for which it are commerce Ministry was reported yesterday to have conpeased that he had been passing the contracts for which it are commerce Ministry was reported yesterday to have conpeased that he had been passing are continuing along with a line of the commerce Ministry was reported yesterday to have conpeased that he had been passing are continuing along with a line of the commerce Ministry was reported yesterday to have conpeased that he had been passing are continuing along with a line of the commerce Ministry was reported yesterday to have conpeased that he had been passing are continuing along with a line of the commerce Ministry was reported yesterday to have conpeased that he had been passing are continuing along with a line of the commerce Ministry was reported yesterday to have conpeased that he had been passing are continuing along with a line of the commerce Ministry was reported yesterday to have conpeased that he had been passing are continuing along with a line of the commerce Ministry was reported yesterday to have conpeased that he had been passing are continued to the commerce Ministry was reported yesterday to have conpeased that he had been passing are continued to the commerce Ministry was reported yesterday to have conpeased that he had been passing and the commerce Ministry was reported yest

links with the Soviet Union calling for the removal of East European countries. He which it regards as an easier diplomats involved.

Said he had been working for 12

state companies

Thailand to

privatise

A DIPLOMAT in the Soviet embassy in New Delhi is more distant relationship with union and France as well as the reported to have been with drawn to Moscow because he was involved in India's spy seandal which is already believed to have included diplomats from France, Poland and East Germany.

For the second day running, a spokesman for the Indian information about arms and the is expected to visit the Soviet Union and France as well as the U.S. having been harmed by U.S. this summer and Gent the uncovering in India a year Wojciech Jaruzelski, the Prime Minister of Poland, is scheduled to arrive in India next Monday. However, evidence is reported to be building up of East European involvement as a result of confessions made by eight of 15 information about arms and the indian information in the U.S. having been harmed by U.S. this summer and Gent the uncovering in India a year Wojciech Jaruzelski, the Prime Minister of Poland, is scheduled to arrive in India next Monday. information about arms and people arrested so far.
other contracts for which it A former office assistant in

when it regards as an easer information in the U.S. This Mr Rajiv Gandhi, who compares with the spy ring's main relationship could be harmed if pletes his first 100 days today businessman, Mr Coomar Narain Moscow's involvement stretched as Prime Minister, is carefully who has confessed be had been to general espionage, although avoiding escalating the affair. active for 25 years.

## Attacks on troops 'will not halt Israeli withdrawal'

BY DAVID LENNON IN TEL AVIY

THE That Government has passed a resolution to privatise Thai state enterprises as part of its effort to bail the country out of economic difficulties, Boonsong KThana reports from Bangkok.
The Council of Economic

Ministers on Monday approved a 24-point package of measures which envisages that certain numbers of the State companies would be privatised partially or entirely or dissolved, for "national survival." Ministers under whose port-folio the state companies fall

are instructed to report to the Finance Ministry within two months which agencies should be sold off.
Twelve of Thailand's state

enterprises have reported losses recently, notably the Bangkok Mass Transit Authority, which operates Bangkok's bus service, and the State Railway

#### Canadian aid deal

ZIMBABWE and Canada signed agreements on Monday, on the terms on which Canada will donate 20,000 tons of wheat as drought relief and provide the agreements on Monday, on the terms on which Canada will donate 20,000 tons of wheat as drought relief and provide the country's private sector with soft loans to buy Canadian goods, Jim Jones reports from Johannesburg.

Meanwhile, the unrest on the tive committee under its chairman, Mr Yasser Arafat, discussed in the past week continued yesterday with Palestinian stoning passing Israeli vehicles near three refugee camps in Beirut and vehicles near three refu

THE ESCALATION of attacks under curiew after four stoneon the Israeli forces in Lebanon throwing attacks.

in recent weeks will not deflect the Government from carrying out the pull-back from the Sidon region, Mr Shimon Peres, the Israeli Prime Minister, said yesterday while on a visit to Southern Lebanon. At the same time he criticised the Lebanese Govern-

the transfer of the evacuated area from Israeli to Lebanese Government control.

Israel will withdraw from a 500 sq km area stretching from Sidon to the Litani River on Pebruary 18. The Government has approved in principle a specific possibility that this could include expulsion of Palestinians from the West Bank.

Israeli forces rounded up day that Palestinian refugees dozens of suspects in the Shi'iter village of Maarake near Tyre in the wake of Tuesday's suicide car bomb attack on an Israeli military convoy in which 10 soldiers were wounded.

Meanwhile, the unrest on the Cranisation (PLO) warned today that Palestinian refugees in Lebanon were under new threats of massacre and said it held the international community responsible for their safety.

Reuter reports from Tunis.

The PLO news agency Wafa said the guerrilla body's executive committee under its chair-Israeli forces rounded up

At the Dehiashe camp be-side Bethlehem which has been a focal point of unrest in recen

days there was again a clash between the refugees and Jew-ish settlers who are picketing the camp in protest against ear-lier stone-throwing incidents. Mr Yitzhak Rabin, the De ment for refusing to co-ordinate fence Minister, who toured the the transfer of the evacuated West Bank trouble spots yester-

total withdrawal in two additional stages.

The Palestine Liberation
Organisation (PLO) warned to-

Meanwhile, the unrest on the coupied West Bank which escaited in the past week con-

#### HK may end juries for commercial trials By David Dodwell in Hong Hong

THE HONG KONG Government is proposing to dispense with juries in court cases involving complex commer-cial issues. Instead, such cases will be heard by a judge assisted by two assessors.

A Bill setting out the pro posed changes -- which coursed controversy when they were first mooted in autumn last year—will be published before the end of February, Mr Jim Findlay. Hong Kong's Solicitor General, said yesterday. The Government is expecting lengthy public debate, as a result of which the Bill is

unlikely to become law until winner.
While the Government has refused to admit as much publicly, the reforms have been drafted with the Carrian case in-mind. Carrian Holdwith debts estimated to exceed HK\$10bn (£1.15bn). Mr George Tan, Carrian's, chairman, and four associates have since been charged with conspiracy to defraud share-

. Committal proceedings against the five men began in October last year, and are expected to continue for some time yet. If they are com-mitted for trial, the case could be brought to courf later this year. The case against the men is extremely against the men is extremely complex, and government prosecutors fear that a jury drawn from the general-public will have difficulty in understanding its technical

In Britain at the moment, the Roskill Committee is cou-

the Roskill Committee is considering similar changes for dealing more effectively with complex commercial crime. It is not known how long it will take to report.

"The Carrian case is not the purpose of the Bill," Mr Findlay said. "It is the Carrian-type of case that we are aiming at. We are not abolishing the jury—we see this as a new kind of jury." He noted that the decision on whether a case was "commercially complex" or not would rest with Hong Kong's Chief Justice.

# Neighbours doubt South Africa's good faith

BY ANTHONY ROBINSON IN JOHANNESBURG

SOUTH AFRICA is coming under increasing pressure from its black neighbours who are accusing Mr Pik Botha, the Foreign Minister, of not doing enough to help restore peace and stabiltiy in Angola and Mozambique or make any progress towards the independence

The latest attack on South Africa has come in the form of an interview with Mr Kenneth Kaunda, the Zambian President, carried by the Rand Daily Mail. President Kaunda noted that

South African troops were still inside Angolan territory, that the Namibian independence nothing has moved on question and that the Nkomati agreement with Mozambique had proved to be a one sided agreement" as the internal security situation was getting worse despite Mozambique keeping its side of the bargain by stopping the African National Congress (ANC) operating from

The latest criticism from President Kaunda follows repeated complaints from



Mr Pik Botha

Africa's inability or unwillingness to do more to curb the operations of the Mozambique ollows what South Africa has claimed to impose an allen ideology on rebels were k from is increased infiltration by ANC the Angolan people which was tured in Beng South terrorists into South Africa the real cause of the tragic last month.

through Botswanan territory.
At a press conference in Cape
Town Mr Botha answered the complaints in typically aggressive style. Far from accepting blame for lack of progress in Angola and Namibia he accused the Angolan Government of President Eduardo Dos Santos of actively supporting the vio-lent overthrow of the South African Government by har-bouring thousand of ANC guerrillas and supporting the South West African Peoples Organisation (Swapo) in its attacks against South Africa. He also rejected President

Dos Santo's claim that the rebel Unita movement headed by Dr Jonas Savimbi was in effect an "integral part" of the South African defence force. He defended Unita as a legitimate member of the original tri-par-

state into which Angola had declined, he said.

As for the situation in Mozambique, Mr Boths repeated that it was no longer giving aid to the MNR and revealed that South Africa was still trying to act as a go-between to about a ceasefire. He revealed that MNR spokesman her fernandes and Mr Manuel Bulhosa, the weslthy 82-year old Brazil-based former investor in pre-independence Mozambique who is believed to be ene of the principal external supporters of the MNR, had come to Pretoria for talks last month: But the demands which they had made to bring about a cease-fire were so extravagant that he had not even passed them on to President Samora Machel, he said.

tite coalition which had Angolan troops have killed accepted independence from 200 anti-government Units National Resistance (MNR) and Portugal in 1973 and was suballegations by Botswana that it risked an invasion by troops from South Africa. Such threatened military action would be aimed at stopping what South Africa has claimed to impose an allegations and captured 10 in guerrillas and captured 10 in the central Huambo prevince with the ald of Soviet and this year, the official Angolan Government had not today, Reuter reports from the delections but had sought Lisbon. It said 55 other Units. to impose an alien ideology on rebels were killed and two cap-

February 1, 1985

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Britain alarmed at rising protectionist tide in Congress

BY CHRISTIAN TYLER, TRADE EDITOR

THE BRITISH Government is THE BRITISH Government is It would mean the rich becoming seriously alarmed by nations further opening their the best defence against what their invisible exports such as they see as a new isolationist banking and insurance. they see as a new isolationist mood in the U.S. will be to get international trade negotiations launched before the end of the

Jear.

In this, they are fully behind the U.S. Administration, which is perceived as genuinely determined to resist the protectionist tide and maintain the world's open trading system.

A series of informal or private meetings of trade Ministers in the coming months could help construct an outline

help construct an outline negotiating agenda. The hope is that the 90-member nations of the General Agreement on Tariffs and Trade will call a special meeting at the highest official level by the autumn at the latest, with a Ministerial Gatt meeting to start

the negotiations off next spring.
The big stumbling block is the reluctance of many developing countries to negotiate special rules for trade in services and high technology that the U.S. wants on the Gatt

According to Whitehall offi-cials the U.S. has not helped its case by taking what is seen in London as an aggressive and tactless line.

Nonetheless, the outline of a possible trade-off between rich and poor nations is said to be gradually emerging.

the rising tide of protectionist markets to goods such as texsentiment in the U.S. Congress.

Ministers and officials believe in return for better access for

Negotiations for liberalising trade in agriculture could, it is argued, be helped by the U.S. Administration's decision to wind down its expensive farm support system. The U.S. has warned the EEC

that it expects reciprocal action on European agricultural ex-port subsidies, incidentally reviving fears of a farm trade war if this latest U.S. pressure is resisted.

As for textiles, there is a timing problem. The Multifibre Arrangement that controls much of the international trade is due to be renegotiated before the middle of next year, by which time a Gatt round would scarcely have begaun.

Britain, along with America's other main trading partners, has profited from the big U.S. trade deficit and the persistent strength of the dollar. But the fear in London is that the Administration will be hard put to it to resist demands for protection by U.S. industries suffering most from import penetration.

The U.S. Treasury's argumen that the dollar will stay strong against European currencies so long as Europe's industrial performance lags behind is both challenged and resented.

## Smith's Dock gains £32m order for cargo ships

BY RICHARD TOMKINS

SMITH'S DOCK, the Middles- unemployment rate of 30.1 per brough, Teesside, merchant cent, shipbuilding subsidiary of the Sm state-owned British Ship-force state-owned British Ship force has shrunk from 2,200 to builders, has won a £32m order 1,500 in the past two years, to supply four cargo ships for incurred a loss of £1.18m in the use by Cuba.

The vessels have been ordered by four Cyprus-based companies—South Island Shipping, East Island Shipping and North Island Shipping and North Island Shipping and North Island Shipping—but will be chartered to Cuba. They are expected to be used for general

best-selling vessel, and will weigh 15,150 deadweight tonnes. They are for delivery during next year, with the last one due in December.

Lotus Islands, built by Smith's per cent the previous year, pro-Dock in 1982 and 1983 respec-viding a glimmer of optimism Dock in 1932 and 1983 respectively and subsequently operated by Cuban interests.

viding a glimmer of optimism in an otherwise lacklustre year for the industry.

Smith's Dock, whose work-force has shrunk from 2,200 to year to last March against a profit of £106,000 the year before.

The order will also benefit Clark Kincaid, a Tyneside and Clydeside-based subsidiary of British Shipbuilders, which will supply Sulzer diesel engines for the ships....Laura Raun in Amsterdam

world-wide trading.

The ships will be of British adds Dutch Shipbuilders exShipbuilders SD King 15 class port orders rebounded 14 per
Shipbuilders SD King 15 class to to FI 400 (£100m) at the end of 1984 from F1 350m a year earlier, reversing the gen-eral downward trend of recent

The proportion of exports to the order portfolio also grew ther vessels. Lilac Islands and to 31 per cent in 1984 from 24

by Cuban interests. for the industry.

The orders come as a signifiHowever, the total value of cant boost for Middlesbrough orders, including domestic which is one of north-east sales, fell 15 per cent to England's biggest unemploy- Fl 1.25bn last year from ment black spots with a male Fi 1.43bn in 1983.

#### Howden sets up in California BY MAURICE SAMUELSON

JAMES HOWDEN, part of the from conventional power sta Glasgow-based Howden Group, tions. has set up a Californian subthe West Coast of the U.S.

The generators are erected in clusters in "windparks" and sup- of Scotland Hydro-Electric plement the flow of electricity Board on Orkney two years ago

James Howden has already has set up a Californian sub-installed ten 31-metre-diameter sidiary to boost its sales of wind-wind turbines east of San Franpowered turbine generators on cisco, each with an output of 330 kilowatts. They are a development of the Howden wind turbine installed by the North

#### Japanese groups breathe new life into Manaus



JAPANESE COMPANIES, with durables-based products ranging from motor- assembly site. bikes to electronic equipment,

Leading the way is Moto Honds da Amazonia, the majority-owned subsidiary of the Japanese parent, which recently disclosed plans to start exporting motorbibes from its exporting motorbikes from its ese companies in Manaus are Manaus assembly plant to West Sharp, Sanyo and Toshiba.

One of the most significant for Manaus it

year are 1.000 units to the British market of its 125 cc and 450 cc motorbikes, with up to hi-fi manufacturer, to take over 3,000 units destined for West the old Garrard production line Germany.

This will be a far cry from transfer output to the zone. the city's turn-of-the-century boom era when its one export dustrial boom to rival the era was rubber.

The addition of the UK and be seen. West German markets will fortunes amplify Honda's budding export trade to the U.S. and Canada which got under way last year. free trade zone, a thriving, tax- city's elaborate opera house free electronics and consumer- built at the turn of the century.

are breathing new life into the in Manaus coincides with that Amazon River city of Manaus, of its major rival, Yamaha, and the one-time capital of the world's rubber trade.

Leading the way is Moto domestic sales.

Moto Honda sold 132,000 bikes in Brazil last year- down from 174,000 the year before. Other well-established Japan-ese companies in Manaus are

Its targeted export levels this developments for Manaus in recent years was the decision by Gradiente, the Sao Paulo-based and name from Britain, and

Whether this presages an in of the rubber barons remains to be seen. But the revived fortunes of Manaus have prompted officials to step up plans to bring the Royal Opera Company from Covent Garden The city's key incentive is its next year to perform at the

## Chris Sherwell looks ahead to tomorrow's U.S.-Asean trade talks

# Textiles a burning issue for Brock

industry to limit imports from these countries, along with South-east Asia are expected to others such as Sri Lanka. be the stickiest problem facing Turkey and Argentina, unfairly Mr William Brock, the U.S. subsidised their textile and Trade Representative, when he garment exports to the U.S. meets economic ministers from the six-member Association of South-east Asian Nations (Asean) in Kuala Lumpur to-

their own regular meetings to discuss further economic and

But the subject of access to

countries, including Asean, for

a new round of multilateral trade negotiations.

trade co-operation.

morrow.

BRITAIN and Japan might be able to work together for "a progressive adjustment in American economic policy," a high-level Anglo-Japanese study group meting here said yester-The newly-formed group was exploring the scope for international monetary reform and issues of global security as well

**UK-Japan** 

way for

group clears

more talks

By Jurek Martin in Tokyo

as numerous trade issues that affect bilateral relations. In a joint statement at the end of three days of talks, the two sides claimed that the meeting had succeeded in clearing up many mutual miscon-ceptions, The British team, known as

the 2000 Group, was headed by Mr James Prior, the former Conservative Cabinet Minister and now chairman of GEC, and Sir Terence Beckett, head of the Confederation of British industry. The two sides agreed to launch studies on a range of

subjects including the impact of technological change on industry and employment, which would be taken up when they meet in London next year.

The Japanese team has reported to Prime Minister Yasuhiro Nakasone and the Britsh group is to report to Prime Minister Margaret Thatther.

mated Clothing and Textile Asean textile exports to the —or "contervallable benefits,"

Workers Union and the InterU.S., for example, are only 2-3 as they are known—are so close cher.

These items will be subject to countervailing duties to offset the impact of the subsidies if the charges are found to be

donesta, Thailand, Malaysia, strand of the U.S. textile in-Singapore, the Philippines and dustry's determined and all the control of the U.S. textile industry's determined efforts to Philippine limit all foreign imports. Thailand In its campaign, it has the support of powerful interests in Congress and from President Ronald Reagan, whose commitmarkets abroad is almost certain ment at the start of his presi-to dominate discussion. ment at the start of his presi-dency to prevent import growth

Mr Brock has previously exceeding the rise in domestle proposed the idea of a consumption has been over-reciprocal trading arrangement taken by events.

between the U.S. and Asean, and this notion, though two years old now, remains alive if for specific items with various countries including these of still somewhat vague. Countries, including those of Mr Brock is also seeking Asean, the U.S. has tightened support from developing country-of-origin definitions—a country-of-origin definitions—a move which has upset producers such as Hong Kong and Taiwan more than Singapore—and followed up the industry's comfollowed up the industry's com-plaints about subsidies.

The hottest specific issue con-fronting him, however, con-cerns textile exports to the countries except Brunei were the subject of petitions by the American Textile Manufachas attracted more attention than the complaints over subsidies, which were mostly duties. turers' Institute, the Amalgadirected at smaller exporters.

U.S. COMMERCE DEPARTMENT PRELIMINARY FINDINGS TEXTILE SUBSIDIES (ASEAN) (subsidias as % of goods' value)

Textiles Apparei 0.02 0.07 Malaysia 8.0 0.6 Indonesia 1.04 1.47 6.01 2.08 22 22 Argenting

Source: U.S. Government Indonesia supplier. In the case of Asean, the pre-

liminary findings of the U.S. Commerce Department on the question of subsidies have already been announced (see table), and public hearings on these are due to be held in Washington in the coming fortnight. Final determinations are and garments are offered by Thailand, while those in Singa-Because the country-of- Thailand, while those in Singa-Origin question was directed at pore appear to be so insignifi-major exporters to the U.S., it can't as not to warrant avbM cant as not to warrant the imposition of countervailing

Because its alleged subsidies

that the final determination will

be in its favour. Indonesia, whose exports to the U.S. have shown by far the

most rapid rise over the past year and is in the middle of protracted quota talks, is in a less comfortable position. Thailand, meanwhile, is understood to be seeking a " sus pension agreement" with the U.S. in respect of fabric, under which it agrees to eliminate or offset the benefits it offers. Thai garment exporters, on the other hand, apparently want

to fight the imposition of duties on apparel. One option open to Asean countries which ultimately face the prospect of countervailing duties imposed by the U.S. will be pre-emptively to impose their own export duties instead —an alternative previously followed by Singapore in a

separate case involving refriger ator compressors. What is certain, however, is that the whole affair has upset the Asean states, which see the moves as inconsistent with the Multi-Fibre Arrangement, which regulates the international textile trade, and contrary to bilateral agreements.

This makes Mr Brock's task especially difficult, since Asean feathers have been ruffled by previous instances of alleged U.S. protectionism, and the six countries remain an important U.S. ally in a strategic and

## **GEC Meters** wins £4.5m **Nigeria** contract

GEC Meters has secured a contract valued at £4.5m from the National Electric Power Authority of Nigeria for the supply of single-phase electricity meters over a 15-month period commencing this month, our trade staff writes. The contract award resulted from an international tender involving 19 manufacturers from 16 countries.

An important facet of the order, in what has become one of the most difficult developing world markets, is a commitment to set up a local manufacturing plant in Nigeria to supply the power authority from a local source.

autuority from a local source.
Local manufacturing facilities will be established in conjunction with Avery-Nigeria,
GEC Meters' associate
company in Nigeria. The Federation of British

The Federation of British Manufacturers' Associations, and the British Overseas Trade Board have organised a two-centre trade mission to Nigeria during March/April this year, A total of nine UK companies are taking part in the mission which will visit Lagos and Kano over a twoweek period. The mission takes place at the same time as the Electrical Installation Equipment Manufacturers' Association seminars which will also be in Lagos and

# No other business needstinance quite like yours.

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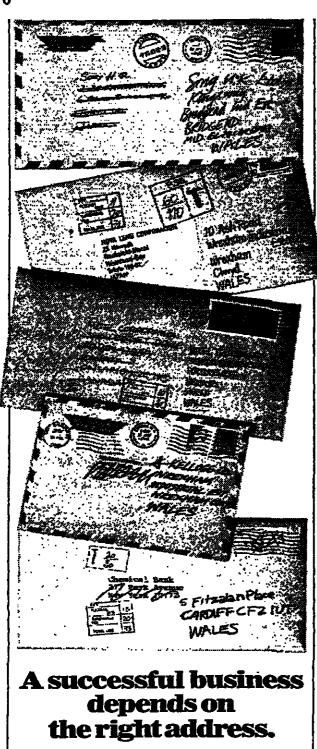
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# to delay' large defence programmes a slide in car sales gave the BL suba slide in car sales gave the BL subit is best January perforslidary its best January perfortion 1070 But it was not confidence in the first specific to take advantage of any weakness of the first specific to take advantage of the first sp

BY BRIDGET BLOOM, DEFENCE CORRESPONDENT

BRITAIN'S decision to cut defence spending in real terms after 1985-86 seems certain to result in delays to its large equipment programmes, Field Marshal Sir Edwin Bramall told the House of Commons Defence Committee yester-

Sir Edwin, who is Chief of the Defence Staff, said the defence proramme might be cut by as much as per cent in real terms from the high level achieved in 1983-84 after the Falklands war, when defence spending increased by a real 3 per

In his experience the actual cash available to spend year by year was usually less than that initially projected in the Government's plans.

It was, therefore, probable that the targets set in the recent public expenditure White Paper (policy document) which envisaged no real growth in the defence budget after 1985–86, would not be met and that the defence budget would actually decline in real terms.

That might have serious consequences, making the defence programme difficult to manage, Sir Edwin said. In reply to a question from Dr John Gilbert, deputy chair-man of the committee, Sir Edwin said, however, that he would much prefer that any cuts should be made by "salami slicing" rather than by surgery that resulted in the loss of whole defence capabilities.

The amount of pressure on the budget, and thus the extent of any squeeze, would depend on several factors, including whether the de-fence budget had to continue to bear increases in service pay over and above the planned-for rates of

Such rises might amount to £100m to £150m on the budget next year. Sir Edwin agreed that the maximum strain on the defence budget would occur from 1987 when peak spending on Trident would coincide with other large equipment

## Thomson sells news magazine for £1.4m

ILLUSTRATED LONDON News the monthly magazine started in 1842 and one of the oldest magazines in continuous publication has been sold by International Thomson Publishing to a consor-

The buyers are a partnership headed by Mr James Sherwood, a U.S. citizen who is president of the Bermuda-based Sea Containers. The other two partners are Mr Munroe Poicher, a U.S. publishing broker (10 per cent interest) and a new publishing offshoot of Sea Con-tainers which has still to be formal-

Mr Sherwood and Mr Poicher plan to make a heavy investment of their own money in the magazine. Mr Sherwood said yesterday that IIlustrated London News was already solidly profitable," with annual revenues slightly higher than the

Short-term plans are to boost the

magazine's circulation from its present 60,000 a month to 100,000 within a year or two." The magazine had been in the continuous ownership of the founding Ingram family when it was purchased by

Thomson changed from weekly to monthly publication in 1971 be-cause it said television had reduced demand for pictorial coverage of

In the last century, writers such as Thomas Hardy, Rudyard Kipling and R. L. Stevenson were regular contributors to the magazine. During the Crimean war it joined The Times in becoming the first publication to send correspondents into battle with an army.

In the early part of this century its use of large sepia photographs helped to make it one of the world's hest-known news and arts maga-

# Spending cuts 'likely BL slips to third in sales table

BY KENNETH GOODING, MOTOR INDUSTRY CORRESPONDENT

EFFORTS by Austin Rover to stem The implication is clear; in presmance since 1979. But it was not exhibited by Ford than is Austin good enough to prevent it from being overtaken by General Motors, the Vauxhall-Opel group, and pushed into third place in the manufacturers' league table.

Ford retained market leadership but with a greatly reduced share and volume compared with January 1984. Ford was feeling the aftereffects of a strike by sewing ma-chinists at the end of 1984, which cost production of more than 40,000 cars and left it short of some popu-

ing for Austin Rover because in January last year the U.S. group launched a "fast start" campaign, offering attractive incentives to dealers and their salesmen to sell as many cars as possible in the early months of 1984.

So far this year, GM's incentive campaign has been relatively modest. However, there is probably some hang-over in orders from the end of last year, when the company That month also followed a serious wary last year.

West German metalworkers strike. company gave a two week warning Many of the cars and components it of a price rise, publicated with fullsells in the UK come from its sister company, Opel, in Germany.

GM benefited last month, too, from some large fleet orders for the Vauxhall Cavalier. The group still has not caught up with demand for the new Astra – teething troubles at the Ellesmere Port plant on Merseyside where it is produced held back scheduled output last year and there is an order bank of 40,000.

was short of cars because of the dispute at the UK factories. The page advertising, to stimulate sales halfway through January, but still suffered a 17 per cent drop in vol-ume compared with January 1984. Against that, GM saw an 8 per cent volume increase, as did AnstiElector A

Rover. Pengeot-Talbot, the other UKbased manufacturer, had a worse month than Ford in January and its volume shunped by 33 per cent. Nissan, preparing fiself for UK assem-Ford had its worst month in mar-ket share terms since January 1979. drop in volume compared with Jan-

## **Scottish** agency to start trust

THE SCOTTISH Developmen Agency (SDA) plans to launch a pri-vately funded offshore unit trust for venture capital investment in U.S.

high-technology companies.

The investments will be designed to encourage expanding U.S. com-panies, which are seeking a European base, to choose Scotland.

The fund - Scotlish American

Venture Enterprise (Save) - is expected to raise between \$10m and \$25m, mostly from Scottish and UK pension funds, insurance companies, investment and unit trusts. It

may be registered in Bermuda. The SDA, which is financed by a government grant, will not invest but will have membership on the board of Save. The agency's investment team will manage the fund, which will spread investments among six or seven venture capital funds in the U.S.

Mr Ian MacGregor, chairman of the National Coal Board and part-ner in Lazard Freres merchant bank in New York, is to be presi-

dent of Save's management team. The agency broke new ground in attracting foreign companies two years ago when it took a \$1m stake in IMP, a Californian electronics company, to promote expansion in-to Scotland. IMP has since carried out some preliminary preparations for setting up a Scottish branch.

Inward investment has been a

## Ireland's budget tries to keep shoppers south of the border

studied with almost as much interest in Northern Ireland as it was in

The prosperity of towns along the border, such as Newry, Enriskillen and Londonderry, now depends a great deal on the actions of Mr Alan Dukes, the Irish Finance Minister. Mr Dukes has decided to put the south's prosperity first. Much of his budget, particularly the abolition of the top value added tax (VAT) rate of 35 per cent, was intended to curb the flood of shoppers to Northern Ireland - as well as the substantial

amount of illegal smuggling. Trade has always been active along the Irish border, much of it illicit and going in different direc-tions at different periods. Local residents point out the substantial houses built on smugglers' profits in the past. The second world war provided a bonanza for those who could send butter, eggs and spirits

to rationed Northern Ireland. The arrival of the EEC Common Agricultural Policy meant undreamt-of opportunities. Local farmers and dealers took to the "carousel," whereby animals could be moved back and forth across the trip. Folklore has it that some pigs had been across so often they could

find their own way home. The past three years have seen a new phenomenon. The republic's Government, struggling mounting deficits, imposed increasingly heavy indirect taxes, resulting key element in the growth of the in wide variations in prices either electronics industry in Scotland, side of the border. Southerners who which employs about 40,000 people | had not been north since the Ulster BRENDAN KEENAN reports on the republic's measures to stem a

nip across to border towns for ap drink or electrical goods. Word soon spread about the bar-gains and the trickle became a flood.

It is estimated that southern shoppers spent almost £250m Apart i (([£262m) last year in Northern Ire-southern and with a loss to the Irish Exchequer of at least I£80m. Business in Ulster responded to the demand. The railways laid on special trains, coach operators offered all-in packages and large Belfast stores opened currency exchange booths.

One Saturday before Christmas, stoms officers counted 3,370 cars, 110 coaches and 105 minibuses crossing the border between Sam and 1pm. Belfast's Central Station led the mustering point of an invading army as thousands of women, each pushing a wheeled trolley, disembarked from the Dublin express. Representatives of retail interests in the republic grew increasingly frantic as they called on the Government to act.

Mr Dukes's first response was to cut the duty on a bottle of spirits where smuggling had become big business with alleged paramilitary involvement - by IE1.75 a bottle. In last week's budget he concentrated on electrical goods and items such the shoppers' favourite bargains.

tails were published. Local traders who took £15m in the pre-Christ mas rush, believe they deserved their good fortune after years of recession, and the altentions of a group of IRA bombers. They seem happy that Mr Dukes's measures will have little effect a view shared by the large stores in Belfast, which have captured a growing proportion

Apart from anything else, the southern shoppers, having conquered their fear of crossing the border, appear to be enjoying the

Even Mr Dukes does not contend that his concessions will stop the trade. Nor has he fallen for the argument that tax cuts could be selffinancing. He estimates that VAT receipts will fall by Itam because of the budget cuts, even allowing for some increase in spending in the re-

The cross-border traffic imposes a new constraint on the actions of Duhlin finance ministers, Personal taxes in the republic are among the highest in Europe and there is now a limit on the imposition of indirect taxes as well. Economists would say that that is all to the good and that Mr Dukes should concentrate on spending cuts, although few are prepared to say exactly where the cuts should be made.

As for the border, even the most ardently nationalistic taxpayer has to admit that its existence has probably spared him no end of pain.

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# Electricians' action led Lawson to Austin damages case

BY PHILIP BASSETT, LABOUR CORRESPONDENT

LEGAL ACTION by the electricians union EETPU against Anstin colly by the fact that the EETPU along tin Rover decided to seek damages only by the fact that the EETPU along the EETPU had done most led directly to the state-owned comtrade unions - including the EET-

Austin Rover's decision after a pay strike to press for damages require a secret ballot before an of- strike deals.

The legal action led to anger and surprise from the unions con-cerned Mr Moss Evans, the transport workers' general secretary, de- its members and eventually inscribed the company's claim as "un- structed them to return to work -

The disclosure that action by the Electrical, Electronic, Telecommunication and Plumbing Union was in large part responsible for the company's decision will infuriate

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**Buying it through** 

That outcome of the Austin Rover pany's bringing cases for damages strike last year is likely to mark a of up to £250,000 each against eight PU and much of the rest of the trade union movement, after such instances as its outspoken opposition to the miners' strike, its shortagainst the eight unions arose out lived attempt to join the Confedera-of the provisions of the Govern-tion of British Industry and its signof the provisions of the Govern-ment's 1984 Trade Union Act, which ing of controversial so-called no-

strike - even though the electricians' union had ordered a ballot of the EETPU executive decided to press a claim against the company for the union's own legal costs.

Annoyed by that - even though the amount, not yet finalised by the EETPUs lawyers, was small - Aus-

to comply with the law, the company apparently felt it could not act est the electricians alone and so brought the action against all eight unions, including those of the transport, engineering, construction and general workers.

ing of controversial so-called "no-strike" deals.

After Austin Rover's decision to take the EETPU to court over the strike — guen though the alexander.

An alternative explanation circulating within the union and the company is that Austin Rover brought the action for damages against the from the EETPU for it to do so.

Austin Rover said only that the

## **Businessmen to aid** civil justice review

BY RAYMOND HUGHES, LAW COURTS CORRESPONDENT

former chairman of ICL, is to head a committee to advise Lord Hailsham, the Lord Chancellor, in a review of civil justice in England and

Lord Hailsham said yesterday the review would cost an estimated £500.000. He hoped to be in a position to reach decisions based on it

within three years. The aim is to bring about reforms reducing delay, cost and complexity in civil litigation.

Lord Hailsham said that, for the first time, outside management consultants would be used to produce factual studies on the progress of cases, from the time a litigant went to a solicitor until final judgment. Consultations would then take place on the basis of an analysis of

the studies and proposals for change, to be followed by legisla-Separate studies would be undertaken of each of the main areas, inchuding personal injuries, small claims, debt, housing and commer-cial cases. Jurisdiction, procedure

and court administration would all Lord Hailsham said he would di-

SIR MAURICE HODGSON, chair- Sir Maurice's committee. The comman of British Home Stores and a mittee will also include Sir Kenneth Bond, deputy managing director of General Electric Company; Mr Pe-ter Jacques, from the social insurance and industrial welfare department of the Trades Union Congress; Mr Bob Kerr, personal insurance manager of Guardian Royal Exchange; Lord Justice Griffiths of the Appeal Court; and representatives of the National Consumer Council, Citizens Advice Bureaux

and the legal profession. The introduction of non-lawyers to the committee is the only departure from the discussion docum issued by the Lord Chancellor's department last automn.

That document came in for sharp criticism at a Law Commission seminar, at which there was a con sensus among senior judges and lawyers that any review should be carried out by an independent body and not by the Lord Chancellor's

Lord Hailsham emphasised yes terday that the review was not a vote of no confidence in the courts or lawyers. He believed that the English legal system was the least de-layed and most efficient in the rect the review, taking advice from world.

## Tory minister faces row over race remark

BY PETER RIDDELL, POLITICAL EDITOR

MR ALAN CLARK, the Under Secmiddle of an argument at Westminmbers of Britain's black commu

nic monitoring at unemployment benefit offices, Mr Clark is alleged to have said that critics from the handed over to the immigration service so that they could all be sent back to Bongo Bongo Land.

m for Mr Clark said sterday that he had no recollecperfectly possible that Mr Clark might have said something like that in the atmosphere of a confidential meeting of officials.

hamentary candidates in 62 per cent of the seats in Britain. All the

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# pledge on pay and iobs

By Max Wilkinson, Economics Correspondent

MR NIGEL LAWSON, Chancellor of the Exchequer, yesterday pledged that he would not allow any slowing down of wage settlements to reduce economic activity.

He was speaking in the National Economic Development Council in a debate with representatives of industry and the trade unions on the Treasury's latest stridy on the relationship between pay and jobs.

The Treasury believes that every

I percentage point cut in real earn-ings compared with what they would otherwise have been might produce an extra 150,000 new jobs after about three to four years. Some critics of the Treasury's

work on the subject have suggested that lower wage settlements would reduce overall spending power in the economy and so depress economic activity. In answer to questions yesterday,

the Chancellor said: "There is no way in which the Government would allow a deceleration of pay rises to lead to an inadequacy of demand."

The clear implication is that he and perhaps introduce some tax cuts to maintain the growth of the economy in money terms at the same pace it would otherwise have

The main benefit of slower wage increases would then come through into lower inflation and higher national output in real terms.

Simulations on the Treasury's conomic model of the economy have suggested that slower wage growth would automatically lead to nigher output, provided the Governfor the growth of the money supply. HESELTINE ATTACKED OVER MIDNIGHT RAID TO REMOVE MISSILE PROTESTERS

# Peace camp cleared by troops

BY ANDREW TAYLOR

shire - Britain's next cruise missile site – of peace protesters.

Hundreds of police and soldiers moved into the base under cover of darkness at midnight on Tuesday and removed more than 100 antinuclear campaigners who were camping at Molesworth. While 1,500 soldiers rolled a 7½-mile barbed wire fence more than 6ft high around the perimeter of the base, Ministry of Defence and civilian police supervised the eviction.

Mr Michael Heseltine, Defence

Secretary, clad in army camouflage, yesterday toured the base before facing furious parliamentary ques-

THE GOVERNMENT was last. He said the eviction had been nenight accused of erecting a "Berlin cessary to "prevent a systematic Wall" after a secret midnight operation to clear the Royal Air Force disruption by a small and unrepresbase at Molesworth, Cambridge entative minority within our soci-

> Mr Tony Benn, the left-wing Labour MP, said: "The building of a Berlin Wall around the camp, associated with your readiness to shoot those who might get in, is an indica-tion that the Government are prepared to use the full apparatus of the state to obliterate opposition to their policy." Other MPs denounced "jackboot tactics" and described the

The Government's action clearly caught the peace movement and its supporters by surprise. They had not expected the military to move mass rally at Molesworth were be- er, Prime Minister, after he had ing hastily revised last night.

National leaders of the Campaign for Nuclear Disarmament yesterday wrote to supporters in an effort to ensure that the Molesworth base would remain under permanent siege from next Monday.

Molesworth is due to house 64 U.S. cruise missiles by 1988. Until now, the peace protest there has been overshadowed by the womenonly peace camp at Greenham Common, near Newbury, Berkshire, where 32 cruise missiles are already in place. A camp of about 100 women still remains at Green-

began three months ago with the on this occasion.

so swiftly and plans for an Easter approval of Mrs Margaret Thatchtaken the initial decision.

> Documents had come into his possession setting out plans for protest action at the base and he had decided to act to achieve "maintenance of the law."

The mission had gone ahead in darkness to prevent "thousands, perhaps ten thousands" turning up and endangering the lives of wom en and children.

Mr John Cartwright for the Social Democratic Party, said the operation had to be viewed in perspective. Demonstrators had a right to protest against policies they op-Mr Heseltine told MPs that plan-posed, but the Government was en-ning for the Molesworth operation titled to outwit them, as it had done

## Miners consider strategy for ending strike

dent of the National Union of Mineworkers (NUM), responded with characteristic vigour yesterday to the suggestion by South Wales miners of a return to work without an agreement in order to save the fabric of the union.

His intervention came after Dr Kim Howells, the South Wales NUM's spokesman, spoke in a radio interview of the growing feeling in parts of the coalfield that this might be the only way of securing an or-derly end to the strike.

Mr Scargill telephoned Dr Howells to remonstrate with him. Dr Howells's interview, however, brought into the open a belief that has been circulating in the union for some time - and not just in South Wales, but in other areas such as North Derbyshire and parts ment did not change its objective of Yorkshire. It has even been sug-

Philip Bassett discusses the suggestion within months of national action cannot the NUM of a return to work without an how could local action do it? agreement with the National Coal Board.

miners and the Trades Union Con-

For those proposing it, the suggestion has its attractions. It would put a halt to what for the union is an embarrassing return to work, allowing the miners to go back with dignity and honour. The National Coal Board (NCB) claimed that another 307 men abandoned the strike

Secondly, and probably more importantly, it would enable the NUM to avoid signing an agreement with the board that would allow pits to be closed on economic grounds.

The strategy is not without its difficulties. Mr Scargill has long been a passionate advocate of national

agreements. He campaigned in the 1970s, for instance, against the idea of area-by-area productivity deals. In that dispute, the national base of the NUM has been under severe threat from Nottinghamshire and

other working areas.

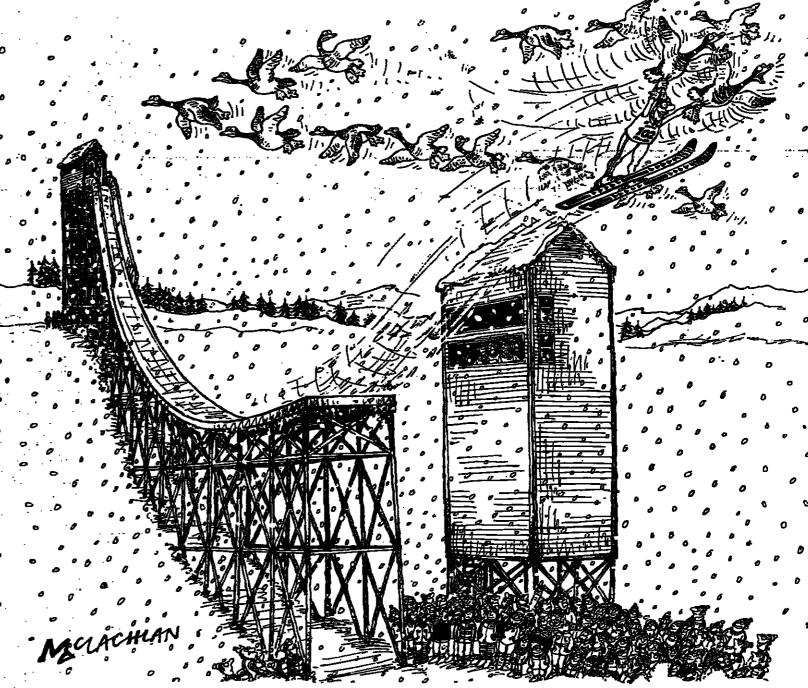
The whole basis of the NUM and indeed of many unions, particularly in the public sector, is national agreements. Nationally, unions can provide deals that might not be obained at a local, fragmented level. One of the ideas behind the South

Wales suggestion is that colliery field. Mr Peter Heathfield, the gen-

halt closures on economic grounds.

On pay, too, one suggestion of those in favour of returning without an agreement is that so-called "guerrilla" action could be maintained - no co-operation, refusal to work overtime, and so on. Opponents of the strategy argue that, in practice, that is unlikely. After 11 months of hardship, miners are likely to want to make up for money lost.

Leaders of the NUM accepted last night that the suggestion of a return to work without an agreement could be discussed at today's meet ing of the union's executive in Shefclosures could then be fought on a eral secretary, said the idea would pit-by-pit basis. But opponents of be before the meeting as one of a the idea say that before that strike, series of options facing the union that sort of stance failed to halt pit over the strike.



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# Lloyds Bank Cashflow Account\* **Interest Rates**

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#### FT COMMERCIAL LAW REPORTS

## 'Trading stock' must be bought for profit

REED (INSPECTOR OF TAXES) v NOVA SECURITIES LTD
House of Lords (Lord Keith of Kinkel, Lord Edmund-Davies, Lord Bridge of Harwich, Lord Brandon of Oakbrook and Lord Temple-

ASSETS ACQUIRED by a trading company for the purpose of obtaining a fiscal advantage may nevertheless qualify as "trading stock" for group relief against corporation (ax if they are of a type normally sold in the course of the company's business and were bought with a view to resale at a profit; but if they are not commercially saleable at any price they will not qualify as trading stock, in that the sole purpose of the qualify as trading stock, in that the sole purpose of the acquisition must have been to obtain the fiscal advantage.

The House of Lords so held when allowing in part an appeal by the Inland Revenue from a decision of the Court of Appeal (1984] 1 WLR 537) that shares and hank debts acquired by Nova Securities Ltd. a company dealing in shares and securities. were "trading stock" for the purpose of obtaining group relief.

By section 274 of the Income and Corporation Taxes Act 1970 it surrendered one-third of its trading losses for the accounting period ending December 31 1973 to three companies in the group.

The Inland Revenue resisted

By section 274 of the Income and Corporation Taxes Act 1970 and paragraph 1 of Schedule 7 to the Finance Act 1965, group relief may be made available by converting an allowable capital loss sustained by one company in the group into a trading loss sustained by another in the same group, on condition, inter alia that the asset subject to the allowable capital loss is transferred within the group to a trading company which acquires it as "trading stock." it as "trading stock."

By section 258(1) of the 1970 Act, relief from the trading loss may then be surrendered by the trading company in favour of ther companies in the group.

LORD TEMPLEMAN said that Littlewoods acquired the issued share capital of a West German company, Medaillon, for £1.5m, and guaranteed certain of Medaillon's bank overdrafts. The venture was a disaster, Littlewoods was called on to pay under the guarantees and took assign. the guarantees and took assignments of the bank debts at an acquisition cost of £2.4m.

Littlewoods' prospective allowable losses of £1.5m and £2.4m in respect of the shares and the bank debts could only be set off against its own capital gains, and could not be transferred to the group of companies of which it was the parent.

With the object, no doubt, of converting the allowable losses into trading losses available for group relief. Littlewoods acquired the whole of the issued share capital of Nova, a company dealing in shares and securities, which thus became a member of the group.

Nova accepted the offer. The Medaillon shares were transferred for £10, and the bank debts for £29,990. Provided Nova acquired them as "trading stock" it could elect to treat Littlewoods

The Inland Revenue resisted The Inland Revenue resisted Nova's claim to have sustained a trading loss of £3.9m. The question was whether it acquired the shares and bank debts as "trading stock." The general commissioners found that it did. On appeal by the Revenue Mr Justice Walton held that their decision was correct. The Court of Appeal, by majority, affirmed his order. his order.

If a company were to acquire an asset as trading stock, the asset must not only be of a kind which was sold in the ordinary course of the company's trade, but must also be acquired for the purposes of that trade with a view to resale at a profit.

A company which acquired an asset for purposes other than trading would not acquire it as trading stock, even though the company habitually traded in sımilar assets.

In Lupton [1972] AC 634, a dividend stripping case, the House of Lords held that relief should not be granted because the object of the relevant share purchase was to obtain a fiscal advantage and did not form part of the trading activities of a dealer in stocks and shares.

Viscount Dilhorne said at page 657 that "if a transaction viewed as a whole is . . . carried out for the purpose of establishing a claim against the Revenue . . it does not form part of the trading activities of a dealer in stocks and shares."

dealing in shares and securities, which thus became a member of the group.

By a letter dated August 17 generated and the artificial trains action did not constitute trading but constituted the manufacture of a tax advantage. In the

apart from fiscal advantage, why the chares should have changed hands at all.

tained a real loss.

The legislature had conferred on a group of companies power to convert an allowable loss into a trading loss which could then be shuffled to secure a tax advantage. The Revenue could not complain that Littlewoods had secured a fiscal advantage by the statutory method. The only requirement was that there must be an acquisition by a trading company as trading stock.

So far as the Medaillon debts were concerned it could not be concluded that no reasonable tribunal, properly directed, could have decided on the evidence that the property was acquired by Nova as trading stock.

It was conceivable that Nova might have decided to acquire similar bank debts from a source unconnected with the group in the hope of making a profit either by waiting until realisation of the debts or by resale.

considerations Different Different considerations applied, however, to the Medaillon shares. Medaillon's assets were valued at not more than £200,000. Its debts amounted to £8.7m. The shares were worthless. There was no commercial justification for acquisition of the shares by Nova. There was no conceivable reason.

No reasonable tribunal could have concluded that the shares were acquired by Nova as trad-ing stock.

The Commissioners' decision was justified in respect of the bank debts, but not in respect of the shares.

Their Lordships agreed.

By Rachel Davies

Mr Beattie, for Nova, urged that the shares were purchased as part of a package deal in that it could not acquire the debts without the shares.

debts without the shares.

But assuming that to be so, the shares were net acquired as trading stock just because they were acquired in connection with bank debts which were so acquired. Section 274 applied to the shares only if they were acquired by Nova as trading stock, namely with a view to their resale at a profit. The shares were not commercially saleable at any price.

For the Revenue: Jonathan Parker QC and Peter Goldsmith (R. S. Boyd, Inland Revenue Solicitor). For Nova: Charles Beattle QC and Christopher Sokol (Allen & Overu)

To the Holders of

**NOTICE OF REDEMPTION** 

#### **SCM Overseas Capital Corporation** 51/4 % Convertible Subordinated **Guaranteed Debentures Due 1989**

NOTICE IS HEREBY GIVEN that in accordance with the provisions of Section 1101 of the Indenture therein called the "Indenture" dated as of March 1. 1989 between SCM Corporation therein called the "Quarantor" and Marine Midland Grace Trust Company of New York, now Marine Midland Bank, N.A. as Trustee therein called the "Trustee" 18:1000 aggregate principal amount of the 5½° Convertible Subordinated Guaranteed Debentures due March 1. 1989 of the Guarantor therein called the "Debentures" will be redeemed on March 1. 1985 therein called the "Redemption Date") at the principal amount hereof without premium pursuant to the Sinking Fund provisions of the Indenture. As provided in the Indenture, Debentures designated for redemption, each in the denomination of \$1,000 principal amount, have been selected by the Trustee as follows:

The Debentures thereof designated for Redemption will become due and payable on the Redemption Date and such Debentures are required to be presented for Redemption and payment, along with all unmatured coupons attached thereto, on or after the Redemption date at the Corporate Trust Office of Marine Midland Bank, N.A., 140 Broadway, New York, New York, 10013

The holder has the option to convert the Debenture hereof into fully paid and nonassessable shares (calculated as to each conversion to the nearest 1/100th of a share) of Common Stock of the Guarantor at the conversion price of \$45.34 per share at the Corporate Trust Office of the Trustee stated above. Such option will terminate at the close of business on the Redemption Date.

Interest on said called Debentures will cease to accrue after the Redemption Date. The coupons due March 1, 1985 should be presented for payment in the usual manner.

**SCM** Corporation

CONTRACTS

## **British Telecom** orders

The electronics division of STC TELECOMMUNICATIONS, Newport, Gwent, has won orders worth 13m from British Telecom for automatic loopback equipment (ALE) and telegraph modems. The ALE allows fourwire private network lines to be tested remotely. The equipment, which does not affect the normal working of the line, is activated by a command tone. Then, it automatically disconnects the customers equipment, connects the transmit and receive lines and returns the command tone. The electronics division of STC and returns the command tone.
The returned signal is monitored
and the condition of the line
assessed. At the end of the
test the customer's equipment is automatically reconnected. The telegraph modems will be used in British Telecom's programme to convert the customer's telex lines to single channel voice

frequency transmission.

Contracts for more than £2m have been awarded to the LONDON AND NORTHERN GROUP. At Dudley, in Northumberland, J. H. Fisher (Newcastle) will revitalise 49 houses in a £559,000 contract for North Typeside Metropolitan District Tyneside Metropolitan District Council John Crossland, Cleck heaton, has three contracts worth £130,000 to refurbish offices at fis3,000 to refurbish offices at Spenborough, erect warehousing at Heckmondwike and put in concrete bases for new machinery at Cleckheaton. G. W. Lazenby will do internal alterations at Durham City Town Hall in a £660,000 contract. In the north west, Border Engineering Contractors will construct 10 houses at Eyemouth in a £323,000 contract for Berwickshire District Council and will upgrade 93 dwellings in Workington for \$316,000. In Penrith, it has a £173,000 contract for new premises for the Halifax Building Society in Middlegate and, in Workington, will make internal alterations to the post office in a £114,000 contract for PO Lancaster.

A. ROBERTS LTD, part of the Multi Construction Group, has secured £11m worth of work. In the UK, £4m orders include In the UK, £4m orders include a £2.7m corference centre at Hazelmere, for ICL; rehabilitation of flats for the London Borough of Islington; refurbishment for National Westminster Bank at Leatherhead; Territorial Army Volunteer Reserves at Sutton; and work for British Rail at Waterioo and Swindon. In Swaziland the company has secured a £7m contract for the Peak Sheraton Hotel.

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Dated: January 31, 1985

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Peasant farmers and local people, with the help of the Relief Society of Tigray and funds from agencies like Christian Aid, are working to change their land and

improve their health and education. Terraces are being cut in the hillsides to

conserve soil and water. Seed, tools and oxen have arrived. In Eritrea, teams are exploring for water and digging wells.

Commonly-used medicines are being produced locally for the barefoot doctors and health workers to take to the sick.

But Christian Aid is concerned about such long-term change on a wider scale in Ethiopia, which ultimately only governments can bring about.

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- Several years' experience at a senior level within industry preferably, but not necessarily, in the printing or communication field.
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- The capacity to work under suprained pressure and motivate others
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The British Printing & Communication Corporation plc

Maxwell House, 74 Worship Street London EC2A 2EN

(No agencies will be considered)

## **TECHNOLOGY**

AEROBIC APPROACH TO SEWAGE DISPOSAL

# Ways to persuade sludge to budge

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BY W V COWER

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ENGINEERS IN Britain's water authorities are examining new techniques to deal with the 30m tonnes of sewage sludge that the country produces each year. The sludge comprises only about 3 per cent by volume of the material channelled through Britain's squers. The liquid that comprises the remainder is disposed of relatively easily after treatment—into rivers, for example.

for example.

Most of the sludge treated by water authorities finds its way on to agricultural land. The rest is largely dumped at sea.

To transport the solid matter around the country costs an estimated £50n a year—so re-ducing this mass has benefits for the water indistry.

A second problem is that. even after conventional treatment in sewage works, the processed sludge smells and may contain dangerous pathogens. So the water authorities are

constantly nvestigating new techniques to reduce these problems without unacceptable increases in posts.

Britain contains about 7,000 sewage work, most of them small plants attering for populations of fewer than 20 000 College. tions of fewe than 20,000. Only about two-thirds of sludge pro-

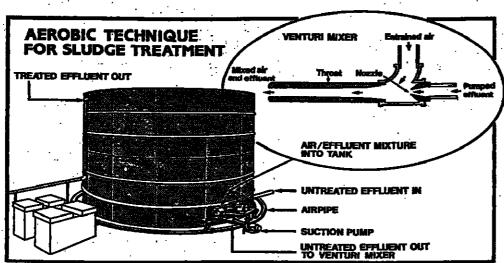
about two-infus or singe pro-duced by such works is treated by any process—the rest may be dumped in a raw state. Water authorities spend about £15m a year on new sludge plans, mainly to bring treatment d some kind to the

smaller sevage works.

Three ileas have surfaced for reducing the volume of the sindge that emerges from either new or old sindge plants. The first s based on the well-known rinciple of mixing sludge with air to speed the biological reactions by which bacteria digest " solid matter, turning I into water and gases. This arobic digestion method differs from the technique employe in most of Britain's sludge flants, in which air is excluded from the reaction so

that it thes place anaerobically. Crucially, the aerobic reaction tales place at a higher temperaure and proceeds more quickly Due to a sterllising he dangerous pathogens in the treated waste may be reduce. As more solid can be dealt fith in a given time, smaller cheaper sewage plants would be required — though operating opsits are likely to be higher due to the need to expenienergy through blowing

far fom new, it has yet to



gain a grip in British sewage left after digestion in a con-works. Tom Maguire and Com- ventional anaerobic works. pany, a small company of pumping specialists in Milford Haven, Dyfed, claims to have devised a new, particularly efficient air-blowing system for use in aerobic treatment.

The system, developed in collaboration with the Elec-tricity Council Research Centre in Capenhurst, Cheshire, also has applications in effluent treatment in the food and chemical industries.

In the two other techniques for dealing with solid sludge, engineers try to reduce its volume either before or after conventional anaerobic treat-ment. Engineers at the Stevenage laboratories of the Water has a pilot plant in Avonmouth Research Centre (a body funded by Britain's water industry) are working on a process called pre-thickening.

In this, the solid matter is pumped into a tank prior to conventional anaerobic digestion. Due to natural settlement, the volume of waste is reduced. According to Mr Tetry Calcutt, manager of sludge treatment at the Stevenage centre, the skill is in designing the system of pumps and tanks needed for efficient compression using nothing more than the force of gravity. Hours of analysis using computers are needed to design the optimum

Water Authority. mair The final possibility is to Though aerobic digestion is adapt the aerobic technique to

Dewatering is a well-known strategy almed at removing from the solid mass liquids that are trapped inside, so adding volume. Conventionally, water authorities simply leave the solid for up to a month in a large vessel, waiting for the water to drain.

A better way could be to use the aerobic process to mix up the solid with air. This changes the structure of the material so that water can more easily flow out of the cavities in the solid mass. As a result, the time for dewatering is reduced to as little as two days.

that operates according to these principles.

A particular kind of aerator
(a device for bubbling air into
a sludge) devised by Tom

The Wessex Water Authority

Maguire and Co. is at the heart of the aerobic techniques for sludge digestion. With a pump, the aerator channels a porridge-type mix-ture (either sewage sludge or factory effluent) through a venturi nozzie into a small chamber. Another pipe passes air from the atmosphere into

the chamber where mixing

takes place. From here, the mixture is transferred along vessel where digestion occurs Engineers are due to instal a pilot plant based on this principle at a sewage works near Bristol run by the Wessex

Wessex where digestion occurs (see diagram).

The key is to ensure that a high proportion of the air stays dissolved in the sludge, rather than passes through the liquid back into the atmosphere, This

inspection at the offices of inspection at the offices of inspection and Company, 139 Vincent Street, Glasgow G2 5JP Cazenove and Company, Tokenhouse Yard, London

According to Mr Tom Maguire, managing director of the company, his system produces efficiencies of more than 30 per cent, while the comparable figures for other equipment may be only 10 per cent. The trick, he says, is to send the air and effuent into the chamber at the right speed. This influences the diameter of the

chamber is also important. Mr Maguire cannot explain the details of how his engineers It's more a black art than a science," he says.

1 cm) that infiltrate into the

With the traditional anaerobic technique, sewage engineers require 15-30 days to process 1,000 cubic metres of sludge. That time is reduced to about eight days with the newer

The difference is because the aerobic reaction produces energy which keeps the sludgeair mixture at a temperature of above 50 deg C. As well as speeding up the process, the high temperature destroys bacteria which could be

As a result, the size of the digestion vessel can be reduced. A treatment vessel in a large sewage works (catering for a population of 100,000) would typically handle 100 cubic metres of sewage a day and take up a volume of 1,500-3,000 cubic metres

The first sewage works to use the Maguire system is operated by the Welsh Water Authority in Ponthir. The Thames Water Authority has similar plants at Epping and Luton.

NACIONAL

**COLLYEAR REPORT RECOMMENDATIONS** 

## Why new materials need a helping hand

THE RECOMMENDATIONS of the Collyear Report on new and improved materials (engineering fabrics which could lead to the all-plastics car or a hazard for example) which the Government published earlier this week are underpinned by three

these materials are going to
bring continuous and important materials, materials which are technical change but that the sources of food and energy and technical change but that the time scales for individual developments are very long and the investments involve l

Second, this potential for technical change and competitive advantage will be realised only by using revolutionary changes in engineering design and production technology.
Third, the UK has a good

scientific base for materials technology, but this tends to be shapi fragmented and it needs to be ture. well co-ordinated to encourage

The report is the work of the Materials Advisory Group estab-lished last year by Mr Kenneth Baker, then Minister of State Technology.
It was chaired by Mr John

Collyear, chairman of the AE engineering group, and in-cluded representatives from private industry, nationalised industry and the civil service.

As reported in the FT, its chief recommendation was the establishment of a £120m, fiveyear research and development programme in new materials, the cost to be shared roughly equally between industry and the Government. The proment based around silicon or gramme would be carried gallium arsenide is already hrough by specialist materials clubs" or industry consortia. It also recommended the

formation of a Materials Coordinating Group to implement the programme, review priorities and direct Government support to the key technologies. It argued that the Depart-ment of Education and Science should work with the Department of Trade and Industry to ensure funding for long-term research on materials through the Science and Engineering

Research Council.

Additional government money metallurgy where powdered should be made available to improve education and training in advanced materials and materials processing, the report said, urging: "We recon that the programme should commence immediately."

The Advisory Group restricted messages.

First, that current, imminent opportunity likely to benefit and subsequent changes in from "timely stimulation."

materials pioneered in the aeroindustries, where support for innovation and development is already well established. It looked at four classes of tional life.

technologies—assurance of pro-duct performance, surface and shaping methods of manufac-

These topics, its says: "We collaboration with manufactur-ing industry and within govern-ment. consider to have the most potential and urgency."

materials built up of several components with different pro-perties glass fibre reinforced plastics is a typical example. for Industry and Information Engineering ceramics are a far in announcing the publication Technology.

Engineering ceramics are a far in announcing the publication cry from the more familiar clay- of the report, it was for indusbased variety and are now being try to decide which areas exploited in gas turbines and should be developed and to automobile engines.

Rapidly solidified alloys have pose. remarkable mechanical, electrical and magnetic properties however, that Government in-which makes them important in volvement is needed to the manufacture of transformers and electric motors, manufacture using brazing materials innovation and exploitation and and manufacture using sub- to spread the risks. strates for electronic devices. Electronic materials develop-

supported through a variety of Government schemes, the report notes, but argues that superlattices, interleaved thin layers tion between the various of semiconductor material, parties involved and the co-which offer new opportunities ordination of the programme. for developing novel devices and which are likely to domitional resources.

facturing stages. Examples include powder year.

metals are used to make casting rather than machining from the solid, and superplastic forming and diffusion bonding.

Surface and joining techno logy covers an array of techniques including the coating of twist drill tips with ceramic materials and coating glass fibres with inorganic vermiculates to increase heat and formations of the control o lites to increase heat and fire resistance to the level of asbestos.

Assurance of product per formance includes automated methods of creating new materials, ways of evaluating the materials non-destructively and assessing their likely opera

It looked at tour customer material—composites, engineering ceramics, rapid solidification recent years by the use of high-alumina cements underlines the importance of evaluating service life. The report observes: "For materials which have been in engineering use for decades, it is not too difficult to draw on experience when predicting performance. For new and improved materials, such experience does not exist by definition.

Why should the Government help to fund these activities? After all, as Mr Geoffrey Pattle. provide finance for that pur-

The Advisory Group argues volvement is needed to encourage industry to reduce the time scale of materials It argues that the Govern-

ment can ensure the more effective transfer of knowledge and expertise from higher education and the research laboratories to manufacturing industry, and it says it can ensure collabora-It warns that by comparison total U.S. Government support for materials research is over

the next decade, need addi- £750m a year; total research Near-net shaping methods of materials in Japan co-ordinated manufacture minimise material through the Ministry of Interwaste and the number of manu-national Trade and Industry is probably in excess of £200m a



Manufacturing

#### Co-ordinate measurer

BROWN AND SHARPE of Plymouth is introducing an automatic co-ordinate measuring machine for use in flexible manufacturing

systems (FMS).

The equipment, called Process Control Robot (PCR) forms a self-contained unit within the FMS, linked directly to the controlling computer. Intended for 100 per cent in-cycle inspection, the robot's probe sends out-of-tolerance data to the comstatistical analyses of drift for the machine controls in order to make the appro-priate tool offsets and bring machined parts back into tolerance.

Basic elements of the unit are a five axis horizontal robot arm with probe together with a rotary table giving access to five sides of the workpiece. An optional three axis wrist for laser probing extends the system to seven axes.

**Displays** 

# **Toshiba**

flat screen A FLAT, 12 in liquid crystal display module has announced by Toshiba.

It can display graphic pat-terns, alphabets and symbols up to 2,000 characters. The format is 25 lines by 80 characters—in other words, large enough to act as the dis-play in a conventional (IBM-PC compatible) business microcomputer.

The supply veltage is five volts; power consumption is 400 mW. Applications for the new TLC-402, according to Toshiba,

include word processors, point of sale terminals, business machine terminals and test instrumentation displays, More on 0276 62222.

## **Company Notices**

"dewater" the mass of solid efficiency of the aerator.

NOTICE OF PREPAYMENT

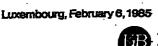


#### Kingdom of Denmark

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In accordance with paragraph 'Redemption and Purchase' of the Terms and Conditions of the Notes, notice is hereby given that the Kingdom will prepay at par on the Interest Payment Date falling on March 25, 1985 the total amount remaining outstanding of the above mentioned Notes.

Payment of interest due on March 25, 1985 and reimbursement of principal will be made in accordance with the Terms and Conditions of the Notes. Interest will cease to accrue on Notes as from March 25, 1985.



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anding Notes at their principal amount on 25th March, 1985

US \$100,000,000 Hydro Quebec 13% Debentures due 1st February

1991 US \$6,250,000 have been purchased on the market to satisfy the Purchase Fund due 1st February

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HIGHLAND DISTILLERIES 8, 1985, to July 28, 1985 COMPANY PLC the notes will carry an inter-The Board of Directors has authorised the issue of 190,375 ordinary shares of 20p each in the capital of the Company, to the trustees of the employees profit sharing share scheme. The shares which will rank pari-passu with the existing ordinary shares of 20p each will be silotted on 12th Fabruary, 1985 and application will be made to the Stock Exchange for them to be included in the official list with effect from 15th Fabruary, 1985. Copies of this notice are available for inspection at the offices of est rate of 9 % per annum. The interest due on July 29, 1985 against coupon number 12 will be \$ US 45,50 and has been computed on the actual number of days elapsed (182) divided by 360.

THE PRINCIPAL PAYING AGENT SOCIETE GENERALE ALSACIENNE DE BANOUE

#### Contracts and Tenders



ANNOUNCEMENT

#### Prequalification of Landscape Consultants

Dubal Municipality wishes to Prequalify Landscape Consultants for various landscape projects in

Qualified international and local offices wishing to participate are invited to submit prequalification documents at the Town Planning Department, Dubai Municipality, Dubai, not later than Thursday 07/3/1985.

The documents shall contain the following information:-1. Place and date of establishment.

2. Number and qualifications of the technical staff.

3. Details of the implemented landscape projects within the Middle East area and anywhere. 4. Any other information which may be necessary for

The documents shall be submitted in sealed envelopes "Prequalification Documents for Landscape Consultant",

> DIRECTOR DUBAI MUNICIPALITY P.O. Box 67, Dubai, U.A.E.

Any incomplete documents shall be neglected and Dubai. Municipality reserves the right to accept or reject any offer without assigning any reasons.

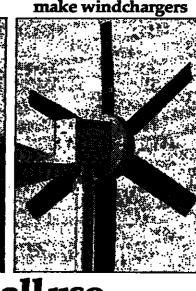
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CLIP THE COUPON AND START COUNTING FAST

NEWS THAT one or the U.S. toy giants—and a dominant force in the UK—is up for sale has put the toy industry on edge on both sides of the Atlantic. General Mills' decision to sell off Palitoy, which is Britain's largest toy trading company with a turnover of £48m, was announced last week in New York.

in New York.

This new upheaval is the latest in a market that is traditionally volatile — Palitoy has been hit hard by the woning of its Star Wars range of fantasy

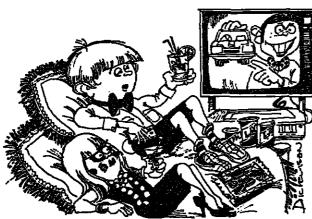
Children have become a major market and one which the advertising industry has also learned to take seriously. In the UK there are advertisements for confectionery, soft drinks and even bank accounts aimed directly at children. Average pocket money for a child in the UK is £3.11 a week, 80 per cent of it spent on confectionery, the rest on toys. Adults are said to spend £70 on average per child a year: the total UK toy market

But the idea that kids wander into the world as commercial virgins is rubbish, says John Hegarty, creative director of Bartle Bogle Hegarty (who worked for years on the famous Lego account). Nor is it the case that they blithely absorb everything they see on tele-vision (ads included), like little sponges, says child psychologist of the commercials for U.S. Glen Smith, chairman of the products are made in America Children's Research Unit, an with English voice-overs added independent company that for UK use. Hasbro's My Little specialises in children and Pony, one of the runaway teenagers. Take it from the admen, tomorrow's adults are learning young and fast what

informed ever — with a huge range of information technolo gies at its fingertips." says Glen Smith, who has advised various Smith, who has advised various authorities in the U.S. Australia and Europe. Far from being in the UK Rainbow Toys, one easily deceived, research shows of the brightest companies on end of 1982 though it has waned that today's youngsters show a the UK market, and Palitoy will since; Mattel's Masters of the healthy cynicism (from about spend \$6.4m and \$10m Universe sci-fi range, voted Toy age seven upwards) and sharp-respectively, on advertising and of the Year 1984, is also the clude avoiding anything "which are specified of a seven upwards." ness in their approach to advertising, a sophistication their to spend £6m on TV advertis-

them asking how much footage it took before a character did something—and that's eight to 15 tune in over a four-week took olds talking."

Industry watchers expect to the moment the prime market tion in schools which is more use of imaginary backgrounds see sharper marketing practice for toys." For a time it was real." and attention to advertising and children, of course, who came Researchers point to a Meanwhile it escapes no one promotion from the seasoned to the rescue of the station with number of traps when trying to that the small spenders and multinationals which increas that popular rodent, Roland Rat, reach children, which though savers of today are the big incly see the U.S. and European acting as a magnet around obvious, still catch unwary spenders of tomorrow.



# Tomorrow's big spenders

Feona McEwan on advertising aimed at children

markets as one. In fact many launched simultaneously in the U.S. and UK.

"This generation is the most according to Media Expenditormed ever — with a huge inge of information technolo es at its fingertips." says Glen 1983 figures, largely thought to promotion, and Mattel expects

ing alone.
TVam is credited with ex-"They are familiar with TVam is credited with ex-techniques of selling." says panding the amount of commer-Ivor Samuel, chief executive of cial airtime available to adverperiod; it reckons it is "at

which the audience has been

up to £50,000 for a 30-second network slot in peak time child-

exercise involves licensing agreements which cover spin-off products resulting from a TV series or cinema film. Palitoy's Star Wars line of fantasy figures and vehicles took off after the TV showing of the movie at the title of a cartoon TV series.

ret for all its importance, television is by no means the sole influence on children's buying habits "though it receives disproportionate attention," according to Glen Smith. "What the child on the other side of the fence has is far more influential. There's also lots of competition for a child's attention."

The simulated by the excessive be stimulated by the excessive of imaginary backgrounds.

advertisers. Glen Smith lists a few mistakes: patronising or speaking down to them; getting them to behave uncharacteristically as mini-adults: incorrect casting, that is if aiming at seven year olds do not use seven year olds, since, they aspire upwards and tend to envy their peers—use, say, a 10 year old; and generally children are unpersuaded by other children endorsing a product.

Cox Williamson, another market research company

specialising in youth, notes that children's ads compete not only against each other but against all ads a child is likely to be

all ads a child is likely to be exposed to. So they have to be just as good, if not better. Lager commercials, for instance, are popular with youngsters; they are admired for their witty, humorous, unexpected storylines, Other favourites include the streetwise "Tosh" Toshiba computer graphics commercial and the high-tech Quatro soft drinks commercial. commercial.

John Webster, executive creative director at Boase Massimi Pollitt ("part of me Massimi Pollitt ("part of me has never grown up"), is a past master at getting it right. There was the Quaker Honey Monster which spawned its own show; the Cadbury's Smash Martians which linked up with children's comics and lately the Oscar Grillo animation for Kiabuilt.

It is not surprising, then, to colourful troupe of singing. find that 21 per cent of TVam's 1984 advertising revenue came from toy advertisers.

Advertisers can pay anything mooted (though not yet 1985) for the first of the first o realised) and two further variations on the commercial

learning young and fast what it takes to be discerning consumers. The under-15-year-old age group, they say, is one of the toughest audiences to reach.

"This constraint is the most of the toughest audiences to reach.

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"This constraint is the most of the toughest audiences to reach."

"This constraint is the most of the toughest audiences to reach."

"This constraint is the most of the toughest audiences to reach."

"The child audience allows which last year amounted to about £23m (at rate card).

Another popular marketing accept ideas quickly, and don't appear to the constraint is the most of the toughest audiences to reach.

"The constraint is the most of the toughest audiences to reach."

"The constraint is the most of the toughest are due on our screens shortly.

"The child audience allows of the constraint is the most of the toughest audiences to reach."

"The child audience allows of the constraint is the most of the toughest audiences to reach."

"The child audience allows of the constraint is the most of the constraint is the most of the toughest audiences to reach."

"The child audience allows of the constraint is the most of the constraint is the mo question everything. They're unclouded by logic."

Advertising and children is an area that is heavily self-policed—the law, however, has very little to say on the subject by the IBA code (for commercials) and the British Code might result in harm to them Yet for all its importance, physically, mentally or morally elevision is by no means the ... or which takes advantage



Richard Giordano: the Chamber Orchestra of Europe will be visiting 13 U.S. cities " where BOC does a lot of business

# BOC's 'rifle shot sponsorship'

Duncan Campbell-Smith explains the background to the COE's U.S. tour

the champagne alone. They had come to hear a concert of Schubert, Schoenberg and Prokofiev by the Chamber Orchestra of Europe—an event brought to them, one might say, by BOC and the COE together in a business deal exemplifying some notable trends in com-mercial sponsorship these days. For BOC is using the

orchestra's three-week tour of the U.S. — which began this week—as the centrepiece of a carefully planned promotion exercise. And it hopes it will be able to quantify the benefits.

Many companies—on both sides of the Atlantic—have for long used sports sponsorship in this way. But sports sponsorship comes awfully expensive. As Richard Giordano, BOC's chief executive and the UK's most highly paid businessman, said last week, £130,000 would have been barely enough for his company to buy a meeting with the

So BOC has turned instead to sponsoring an event in the arts.
Its £130,000 will now go a long
way—together with box office
receipts—towards funding the
orchestra's tour, which started on Tuesday in Greenville, North Carolina. Other sponsors of the orchestra include Abercromby

sponsors to put together the

round. The sponsored arts event, look at it."

ment obviously unerpinne by contrast, can be used to ABSA has seen a dramatic BOC's hospitality in treenvil impress the company's good growth in the number of public this week. But philinthrop name and image upon a finely relations and advertising motives have had ther place

BOC's chief executive made the point nicely in a bon voyage

extensive sales networks around This may look small beer in both cities and a key plant in compared with the \$1.5bn or so

people in the arts to see what Of course, there is nothing donations by business can beathey can do to help ensure that new about the use of concerts, tax deductible, which no doubsill a commercial sponsor gets value art exhibitions or the theatre for his money and assisting to promote a little commercial goodwill. What is novel about arts by corporate U.S.A. agains the current trend in sponsor- 0.1 per cent in the UK, according package they really want.

The latter is another key ship, though, is the determinamotive for arts sponsorship, tion to go beyond the traditional campaign for some reform of which has certainly played a types of entertaining — Glyndethe UK fiscal climate is another the orchestral tour. "A lot of at Covent Garden and all the businesses no longer just want rest — which can so easily shape they in a continue to rely the contract of the continue to rely the continue to the continue to rely the continue to the to take an arts event off the amount to not much more than

for their own sponsorship ideas."

A more professional approach property and investment con is growing up." says Tweedy, sultant who has spen much of "with the marketing men taking his own time and money as effectiveness. As some of its a firm interest — hence the chairman and executive biggest exponents have discovered in recent years, sports sponsorship can be a rather hit big banks were the innovators launched only four years ago-or-miss affair — giving a companies have come on players from twelve different ment a tough time when the fast and the consumer componies. ment a tough time when the fast and the consumer com-annual budget review comes panies are at last beginning to A shree panies are at last beginning to

targeted audience, with readily agencies showing interest in its too. Giordano is no nusician, scored benefits.

BOC's chief executive made months. One symptom of this I'd give it all up to be one, the point nicely in a bon voyage has been the progress of the wouldn't you?" No men aside, speech to the COE last week. Government's Business Sponsor-that speech to the COE last week.

THE FIRST few pennics of a meagre \$130,000 budget were enough last week to help ensure ance, ICI Europa, Nederal Union Argure alavish start for the latest corporate promotional campaign of the BOC Group, which has a turnover of well over \$2bn a year.

The pennies (relatively speaking) paid for champagnh and canapes beneath the stately portraits and gilded chandeliers of the Merchant Taylors' Hall in the City of London, where BOC, the health care to industrial gases group, had assembled a few hundred guests for the Occasion.

But they were not there for the champagne alone. They had been and companies are actively in the champagne alone. They had been and companies are actively in the champagne alone. They had been and companies are actively devotes the champagne alone. They had been and companies are actively in the champagne alone. They had been the champagne alone. They had been the champagne alone. They had been the health care to industrial states the champagne alone. They had been the champagne alone. They had

arts for aspiring sponsors to draw upon and generally devotes itself to refining the relationship between business and the 5,000 in all. "Rifle shot sponsors though the Reagan administration for its 10021 though the Internal Revenue Service. is reflected in the l.l per cent of pre-tax profits given to the

ship must continue to relyn heavily on enterprising agencie to take an arts event off the amount to not much more dian peg." says Tweedy. They want buns for the company directors and individuals—like ABSA to have an event tailor-made and their wives.

"A more professional approach property and investment con orchestra which he himselso

look at it." ment obviously unerpinned ABSA has seen a dramatic BOC's hospitality in treenville

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## **JOBS COLUMN**

# Where UK leavers head for and why they go

BY MICHAEL DIXON

WHATEVER President Reagan's that first preference, compared WHATEVER President Reagan's success in raising America's with 48 in 1983. Second came confidence in itself, he has evidently not done likewise for United Kingdom cittzens' desire to go and work there as expatriates.

The latest survey by Overseas Recruitment Services of UK candidates for jobs abroad shows that of the almost 500 that first preference, compared with 48 in 1983. Second came by only 13 per cent 12 months although not so spectacularly. The latest survey by Overseas tioned by only 13 per cent, But even that is an improvement—they didn't appear in the lists at all the year before.

The latest survey by Overseas Recruitment Services of UK candidates for jobs abroad shows that of the almost 500 who filled in the questionnaire last year, only 8 per cent were keenest to go to North America. And that, of course, includes Canada as well as the United

same place named by some people as ideal is fairly often In 1983 the proportion with their eyes first and foremost on North America was 16 per cent. North America was 16 per cent. Still, as the survey was carried out in the summer, the turning away did not take place when the candidates could have reliably foreseen the great strides to be made by the dollar. So perhaps next summer's check will show the fall reversed. tract each one's minuses from its pluses and rank it by the resulting net score.

In 1984 far and away the most popular area by that measure was the Middle East

On the other hand, the UK's would-be self-exporters can hardly be ignorant of the charms of the U.S. buck. While the 1984 batch were only half as keen as their previous year's counterparts to be based in America, they were considerably keener to work for a big U.S. company in some other part of the world.

—with the main preference apparently for Saudi Arabia—

apparently for Saudi Arabia— the area's net score being plus 11. Only two other regions finished with positive marks, and here President Reagan can

take some comfort. For North America was second most popu-

lar, drawing only three minuses to leave it with +5, well ahead

he world. of Europe in third place with a Just over 60 per cent showed hairsbreadth + L

It is impossible, of course, to influence. The only reason why the questionnaire. The same any candidate fills in the questionnaire in the first place is that they're all itching to keen to quit the country, virtually all were in full-time

One different kind of indicator which is applicable results from Overseas Recruitment Ser-Besides asking which country candidates would most wish to vices' examination of the candi-dates' responses to see in which be based in, the survey invites them to nominate the part of the world where they would least like a job. Inevitably, the dates responses to see in which ways they were being pulled away by positive attractions elsewhere, and in which they were being pushed out by dissatisfaction with their home land. The outcome offers little if anything that the British Prime Minister would wish to hear also named by others as anathema. The best way of indicating the UK candidates' overall perceptions of different territories is therefore to sub-

The proportion saying they wanted out because of reduced living standards was up from 13 per cent in 1983 to 15 per cent last year. There were corresponding increases from 21 to 23 per cent in candidates complaining of being unable to find suitable work at home, and from 26 to 28 per cent in those blaming the UK taxation system, which compares with only 10 per cent in 1978.

There was, however, a decrease from 25 to 23 per cent from 1983 to last year in candidates complaining of being pushed out by lack of promotion opportunities here.

offer any comparable quasi-indicator of Mrs Thatcher's out of work when they filled in Starting by d

#### Treasury

ON THE same survey's evidence, this week's first job would seem likely to appeal to the typical UK self-exporter. The base is Kuwait, and the salary indicator is US\$100,000 tax-free. Whether that would be attrac-field Street, London EC2M 5NT; telephone 01-588 8161. wherer that would be attractive to international bankers specialising in treasury operations, who, where pay and perks are concerned, are extra-

are concerned, are extraordinarily untypical of UK
workers as a whole, recruiter
Dudley Edmunds of the Roger
Parker Organisation can only
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job for someone or something
he describes as a "head
of global treasury services
(decipate)" on behalf of an he describes as a "head of global treasury services (designate)," on behalf of an Arab bank with active interests

Slightly less than half of the the other headhunters to be taining that, the recruit will be expected to find new uses and Starting by developing the small existing local treasury expertise.
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Assistant Vice President to be responsible for machaling a range of firencial products including Syndicates Suppo and FFMs. Considers for this ex-

**LEASING MANAGER** to £20,000 l leading computer leasing company, seeks a AC under 35 years with a sales and leasing

QUALIFIED ACCOUNTANTS

Contact: Leslie Squires

## **Dealing Opportunities**

£ NEGOTIABLE+BENEFITS Amsterdam Rotterdam Bank is one of the leading international banks and is expanding its London Branch dealing activities and has two key positions it now

wishes to fill. The opportunities are for a Foreign Exchange Dealer and a Customer Dealer. In each case the ideal candidate will be in his/her mid 20's and have at least 3 years

relevant experience. The negotiable remuneration packages will reflect the importance of the positions and the ability and experience of the successful candidates.

Applications in writing enclosing a full C.V. should be addressed to: John Parker, Head of Personnel, Amsterdam-Rotterdam Bank N.V., 101 Moorgate, LONDON EC2M 6SB.

amsterdam-rotterdam bank nv

# — NEWCASTLE TECHNOLOGY CENTRE -

circa. £25,000 Newcastle upon Tyne

new initiative sponsored by Newcastle University, Newcastle and Sunderland Polytechnics and local authorities in Tyne and Wear, to assist industry in the North East to develop more competitive products and process promote the take-up of new technology

The Chief Executive will establish and manage the Centre, leading a small specialist team to promote and project manage the effective transfer of technology. The post demands imaginative fair tempered with sound business judgement to identify new commercial opportunities. An essential

remirement is the ability to work with

and develop confidence within

The salary will be circa £25,000 in association with other agencies. per annum with a benefits package plus assistance with removal expenses. Application forms, to be returned by 28th February 1985, are obtainable from: Charles Monck.

Newcastic Technology Centre The University, Newcastle upon Tyne NEI 7RU

a technological discipline with

of marketing, product develop

commercial negotiations and

intellectual property issues.

perience, and have a good appreciation

or by telephos Tyneside (091) 487 8941.

A new regional initiative to mobilise technology in the North East

# **Managing Director**

#### Kent

Our client, a substantial financial institution which is long established in the Life Assurance and Pensions sector of the market, intends to set up a subsidiary company to offer services to those wishing to operate Small Self-Administered Pension Schemes.

The company will be expected to be selfsupporting but will co-operate closely with its parent, from whom it will derive introductions. The prime task of the Managing Director will be to develop the market and to provide an efficient and profitable service to clients; support services will be made available as and when required. Applicants should have an in-depth knowledge and experience in this sector of

#### c.£20,000 plus incentives

the Pensions market, with a proven record of success in business development. Future success in achieving targets will be generously rewarded. Only those with the skills, experience, entrepreneurial instincts and character needed to operate successfully on their own initiative will be

Please write in confidence with brief career details quoting reference 3301/2 to J.W. Hills, Executive Selection Division, Peat Marwick Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC4V 3PD.

PEAT MARWICK

#### FINANCIAL ANALYST £30,000+

French-speaking financial/business analyst required for large multi-ostonal group. Previous experience in business planning and analysts and acquisition work is essential. Would suit qualified accountant or economist preferably with an MBA. The job is London based but requires person to travel worldwide. equires person to travel workingle.

Please reply in strictest confidence
giving details of age and
experience so:
Carol Speed
KYNASTON INTERNATIONAL
Edman House, 17/19 Maddox Street
London WIR 0EY

Selling Life Assurance and Pensions requires honesty you are 30-35 and seeking a ange, full support and compre-neive training will be given. This il lead to a rewarding career. Please phone S. McJamett on 0\$1-832 9844 till 6 p.m.

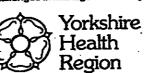
# DISTRICTGENERAL MANAGER

## NORTHALLERTON HEALTH AUTHORITY

The Northalierton Health Authority is seeking a District General Manager to lead its organisation.

New arrangements are being established following a Government Inquiry into NHS management. The major objective is to deploy available resources to optimum effect in support of health and patient care. The District General Manager will be personally accountable to the Health Authority for the implementation of plans and the management of existing resources in the most effective way, and will lead the top management team in the

The District Health Authority is currently appraising its major strategies for the delivery of health services. Priority will need to be given to improving care for the elderly, the mentally ill and the mentally handicapped as well as exploiting to the full advances in modern acute medicine. This represents one of the most exciting challenges in management today.



The Northalierton District comprises the central and western parts of North Yorkshire which are completely rural and include part of the Yorkshire Dales, and is based on the County town of Northallerton. The population of the District is about 110,000 and the current revenue altocation is £11.5m. The Authority is planning the complete redevelopment of Friarage Hospital and phase lata capital cost of about £5m started on site in 1984.

Candidates will need to possess high qualities of Leadership, be able to demonstrate a proven record of successful management in a large organisation and have the ability to manage change and control large budgets. Their current salary will be over £20,000. Initially the appointment will be for a fixed period of three to five years and will be extendable thereafter by mutual agree Remuneration and conditions of service will be

Detailed applications should be submitted to the Chairman; Benet Ormerod Esq. 1 Monlagarity, Scorton, Richmond, North Yorkshire. DL10 BEB by 22 February 1985. They should be marked "In-Confidence - District General Manager Appointment." Further particulars will be sent on rec

# ONE TAX PROBLEM CREATES ANOTHER

## CORPORATE TAX CONSULTANTS c£20,000

Chiltern Financial Services is a leading inter-national tax and financial consultancy offer-ing a broad range of specialist services to industrial and commercial organisations. Totally independent, we are currently enjoying an exciting period of development.

Additional Corporate Tax Consultants are required to join a multi-disciplined team dealing with a range of planning advisory and compliance activities for a wide variety of clients. Close lialson with clients is an important part of the service we offer. Aged preferably under 35, you should be a Chartered Accountant, Inspector of Taxes,

The more successful you are at solving our clients tax problems, the greater your own will become as the rewards start to accrue.

Chittern Financial Services is a leading inter-

Salaries negotiable around £20,000 will be enhanced by valuable benefits. These are key positions within a thriving company oper-ating out of superb offices in a very convenient location. Excellent career prospects for those who

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London EC1

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Candidates should be experienced in financial and cost of prompt management information

Recruitment Services. accounting, budgeting, the provision

and working with computerised systems. Those with data processing and administrative experience will have an advantage. A knowledge of languages is not essential, but some Spanish or French might prove to be helpful. Age range 25-50. Salary is expected to be over £16,000 pa. Applicants should telephone

Roland Orr for an application form quoting & Partners

reference R1736, or send a c.v. with acovering letter to R. N. Orr

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35 Piccadilly, London WIV 9PB Telephone 01-734 7282

## **PR** Executives **Property and Financial**

City & Commercial Communications is an expanding public relations and advertising Consultancy, specialising in the financial and property sectors.

Formed four years ago, it has a fee income running at an annual rate of over £1 million, and additional revenue from its advertising, design and print operations.

The Company now requires additional enthusiastic young executives with business experience in:

- Property or allied sectors

 City public relations and/or the marketing of financial services PR or advertising agency experience is not essential.

These positions offer an excellent opportunity for career advancement, with good rewards both in terms of salary package, and direct involvement in the Company by way of a planned share option scheme.

.Call Tony Canning's secretary, Irene Dempsey, on 01-638 0805,



City & Commercial Communications Limited
3 St Helen's Place, Bishopsgare, London ECJA 6BD

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Consultancy

**Technical Support** 

# CORPORATE FINANCE

#### **CAPITAL MARKETS**

We require a top person ideally with the following

(1) Age: 28-38.

(2) Formal qualifications: good honours degree plus additional professional qualification (e.g. accounting: M.B.A.).

(3) Experience: minimum of three years in a merchant bank or equivalent organisation with involvement in company flotations, underwritings, market trading, organising syndica-tions and negotiations with company executives and bankers.

Knowledge of U.S. and other markets would be In return we will provide a salary of up to £40,000 p.a. and unusually attractive prospects.

... Apply initially in writing, with full C.V., to:...

W. L. Jacob M.D. W. L. JACOB & CO. LTD. 500 Chesham House

150 Regent Street, London W1R 5FA (All applications will be treated in the strictest confidence)

LONDON BRANCH

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## Interest Rate and **Currency Swaps**

Kansallis-Osake-Pankki, the leading commercial bank in Finland whose head office is in Helsinki, requires an experienced Interest Rate and Currency Swaps Trader for its London Branch. This is a newly-created position for which self-motivation,

creativity and flexibility are key requirements. Applicants should be graduates under 30, capable of firstly accepting responsibility and then recognising and developing their career within the unique opportunities on offer from a banking group with representation in all the major financial centres in the world. A competitive and comprehensive benefits package is available to the successful candidate.

Applications, with a current curriculum vitae, should be

Mr. D. Hylton: Operations Manager KANSALLIS-OSAKE-PANKKI London Branch Whittington House, 19-20 College Hill London EC4R 2TJ

#### Arthur Andersen & Co. is an international firm of Chartered Accountants and Management Consultants. Based in the Accounting and Audit Division, our Microgulde service provides independent and expert advice to clients seeking to install microcomputer systems. Due to the rapid expansion of the service since its inception in 1982 we now wish to recruit a young microcomputer professional with a technical background to take responsibility for the following areas: # Technical Support # Training and \* Training and Development

The successful candidate, who will report to the Director of the Microguide service, will also be expected to take an active role in client consulting, quality control and promoting the Microguide service. Candidates should be graduates in their late 20's with substantial experience of microcomputer syst gained for example in a software house, computer consultancy practice or dealer. An accounting qualification would be an advantage. Excellent communication skills are essential as is a

advantage. Excellent communication skills are essential as is a desire for career advancement in this exciting and innovative area. Applications in the form of a detailed curriculum vine should be sent to: Geoff May, Divisional Personnel Manager, Arthur Andersen & Co., I Surrey Street London WCCPP 208 01 236 1236 sent to: Geoff May, Divisional Personnel Manager, Arthur Andersen & Co., 1 Surrey Streer, London WC2R 2PS, 01-836 1200

up to £20,000 + car

# **Planning Analyst**

Mobil Oil Company Limited is the UK affiliate of a major multi-national. oil Corporation, whose operations include the refining, distribution and marketing of petroleum products.

Central London

The need has arisen in the Planning Department for an Analyst who will be involved in the development of the Company's short and long term strategies. He/She will be required to produce economic and business forecasts, analyses and use/develop computer models.

Candidates, up to 30 years of age,. should be graduates with 3 years business experience preferred. Analytical skills coupled with the ability to make concise written and oral presentations to senior management are essential.

Mobil has a career development programme providing further opportunities for candidates of high calibre. This position is seen as an ideal stepping stone to gaining experience of the Company's broad range of operations giving the successful Planning Analysts varied but nevertheless realistic career opportunities for further advancement.

Please write giving details of age, education, experience and present salary to: Peter Johnston, Adviser Recruitment and Development, Mobil Oil Co. Ltd., 54-60 Victoria Street, London SW1-6GB.

## **ACCOUNT EXECUTIVES**

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Minimum remuneration package £17,500 p.a.+

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The one who stands out

# International capital markets:

## a wider arena for your negotiating skills

Citicorp wishes to strengthen its London-based Capital Markets Group with an experienced Documentation/ Transaction Management Specialist.

We are looking for a professional with significant experience in the preparation and negotiation of Eurobond and syndicated loan. documentation, who will be able to contribute immediately by managing innovative transactions without supervision,

You will join a small team which is responsible for negotiating all documentation for the Capital Markets Group (Including Eurobonds, Euronotes, syndicated loans, interest rate swaps and asset trading) and for supervising the execution of transactions from

mandate through to closing. You will, also assist the product origination and syndication specialists in the formulation of proposals at the premandate stage.

This is a high profile position involving frequent client contact and extensive overseas travel. The opportunities for further development within the Capital Markets Group are excellent.

Please write enclosing full career details to Miss Hanneke C. Frese, Personnel Officer Citicorp International Bank Limited: 335 Strand, London WC2R 1LS.

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## Investment **Specialists**

£10,000

Due to increased market activity, we seek high calibre individuals Our current assignments, with a range of Stockbroking and lostitutional clients, include:

 all sectors, but especially Electrical/Electronics, Building, Financials, Consumer - all markets but especially UK, Far East/Japan

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Corporate Finance,

A number of our clients also have special situations for top individuals and teams to play key roles in their future development.

Whether you are actively looking for a move or simply curious about firms and the future, please contact us for an initial talk in confidence—Fiona Stephens, Anthony Innes, Simon Kennedy,

Stephens Associates International Recruitment Consultants 44 Carter Lane, London EC4V SBX. 81-236 7307

#### BADENOCH & CLARK

#### **FUND MANAGER**

£30,000 Basic+Bonus

An umusual opening has emerged for an experienced fund manager, ambitious to employ his/her skills in a marketing

Our client is the market leader in the field of international investment research. New York based, this small but highly successful company using momentum techniques, sells its products to major merchant banks and brokerage houses world-wide. The company is now looking to expand its London operations and after a three month induction course the successful applicant will be expected to establish and service clients, expanding the Company's fee earning potential. This is a highly rewarding position which should interest Investment Specialists with a strong analytical background and an outgoing, client-orientated personality.

#### **JUNIOR ANALYST**

£10,000 + Substantial Bonus

One of the leading firms of stockbrokers, with an excellent reputation in Research, requires a bright, young analyst. Interested applicants should have at least tweive months experience of the Financial sector, gained in a top twenty firm. To arrange an informal discussion, contact Stuart Clifford or Christopher Lawless.

> Firlancial Recruitment Specialists 16-18 New Bridge St. London EC4V 6AU Telephone 01-583 0073

#### Director and General Manager

**High-Point Corporate Consulting** High-Point Services Group provides specialist technical, management and financial services to

the international contracting, offshore oil and gas and allied supply, service and finance industries. It has offices in Europe, the Middle East, the Far East and the USA.

As a result of growing demand for its special blend of advice and assistance, High-Point has established a Corporate Consulting subsidiary company and wishes to recruit a Director and Control Management of the Control of the Contro General Manager for this company, to be based

Applicants should have: - had recent experience as senior management

consultants, been responsible for developing corporate

management plans,

- successfully managed tumaround situations,

- a knowledge of the international construction contracting industry. Application should be made in the first instance,

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HIGH-POINT

SERVICES GROUP Pic HIGH-POINT HOUSE, 19 FITZROY SQUARE LONDON W1P 5HQ TEL: 01-387 9796 TEL: 01-387 9798 TELEX: 298080 HPCTMS G

Investment Opportunity—City

Gilts and Fixed Interest Markets

An opening has arisen for a part-qualified ACTUARIAL STUDENT to be trained in all aspects of managing Gilts and Fixed Interest investments. Initially, responsibilities will include the preparation of actuarial forecasts. statistical reports and the analysis of investment performance; ultimately you will run part of the fund.
You should have at least two years commercial experience and should anticipate qualifying within the next

The excellent career prospects are backed by a competitive basic salary, and an attractive range of fringe benefits including concessionary house purchase, season ticket loan scheme and a non-contributory pension.

Please telephone for an application form, or write with a full CV to:

Paul Ambrose Personnel & Training Department UK Provident, Castle Street Salisbury SPI 3SH Telephone 0722 336242

Success you can share



Northern Ireland Electricity Service

## **Chief Executive**

Arising from the forthcoming retirement of the current Chief Executive, the Northern Ireland Electricity Service invites applications for the above appointment.

This position involves the management and longer term direction of a major industry with substantial expenditure and capital budgets, employing several thousand persons. Applicants should either have similar experience in a large organisation preferably involving the manufacture or use of heavy capital equipment in the energy sector or a financial/general management background in an engineering

It is likely that the successful candidate will have a University degree or equivalent qualifications and will at present probably be earning a salary of around £30,000 p.a.

Salary and other terms and conditions of employment will reflect the importance attached to this appointment.

Applications enclosing a C.V. will be treated in complete confidence and should be addressed as below.

Closing date for receipt of applications is March 6th.

The Chairman Northern Ireland Electricity Service P.O. Box 2

120 Malone Road Belfast BT9 5HT





#### ORION ROYAL BANK LIMITED

Amember of The Royal Bank of Canada Group

has the following vacancies:

**Eurobond Settlements** 

A person at supervisory level with a good technical knowledge of primary and secondary ments, experience of bond borrowing, profit calculations, and the ability to cope with large volumes. Some accounting knowledge would also be an advantage.

Foreign Exchange Settlements

A person with a minimum of three years' experience of foreign exchange settlements, who has the potential to supervise a section of the settlements area.

Senior Loans Administrator

A person aged 24+, with a minimum of three years' experience, administering agency loans and currency/interest swap transactions, with the ability to enter junior management as head of a small team.

Candidates should be keen to accept responsibility and use initiative. Excellent career opportunities exist within these operational departments and other areas of the Bank for those displaying the desired level of commitment.

Competitive salaries and benefits package.

Applications in writing enclosing a full Curriculum Vitae to: Veronica Burwood, Orion Royal Bank Limited, 1 London Wall, London EC2Y 5JX.

# Public Relations

#### Substantial salary + car

Our client is a major, successful, international chemicals group listed on the London Stock Exchange with a turnover of over £0.5 billion and operating world-wide. They wish to appoint a top public relations specialist who will be responsible for promoting the image of the Group. The key task will be the maintenance and development of relations with institutional and stockbrokers' analysis, financial press and other

This is a senior appointment based in the City and involving considerable contact with the Midlands Head Office. It calls for an intellectually agile man or woman of graduate status, ideally aged up to 35 with excellent communication skills, considerable public relations experience, a good know-ledge of the Stock Exchange and an understanding of other City institutions.

This is an exceptionally interesting opportunity to join an international organisation; prospects for further progress are excellent given successful performance in this post. An attractive salary is offered together with a company car and a range of other benefits usual at this level of seniority.

Please apply in writing to Confidential Reply Service, Ref ABP 866, Austin Knight Advertising UK Ltd, Tricorn House, 51-53 Hagley Road, Edgbaston, Birmingham B16 8TP.

Applications are forwarded to the Client concerned, therefore Companies in which you are not interested should be listed in a covering letter to the Confidential Reply Supervisor.

Austin Knight Advertising

## TRADES UNION CONGRESS ASSISTANT

Salary scale £10,387-£13,623 including London Weighting The TUC's Social Insurance and Industrial Welfare Department requires an Assistant to work mainty in occupational parsions. Experience and knowledge of this rear is exceptlal.

Write for details and application form to:
The General Secretary
TRADES UNION CONGRESS

Congress House Great Russell Street London WCIB 3LS The TUC is an equal opportunities employer Closing date: February 22nd, 1985 Quote ref \$3

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Further key senior people are required for this fast-expanding venture and development capital operation. Inheriting a portfolio of 20 existing unquoted investments, Close Investment Management has a further £20m to invest in high capital growth opportunities.

This is a chance to join a small specialised and ambitious team operating autonomously yet benefiting from group corporate finance and banking service activities.

You will have an MBA or ACA, several years' venture capital experience and a demonstrable track record of funding, appraising and monitoring unquoted investments. An innovative and attractive compensation package is offered.



Replies in confidence to: Jonathan Thernton Managing Director Close Investment Management Limited

36 Great St Helen's London EC3A 6AP

## HOTEL CONTROLLER

A member of the Close Brothers Group plc

Accountant required for substantial London property. Professional qualification desirable but subordinate to meaningful practical experience at controller level with major hotel group. Excellent salary and conditions.

Candidates (fulfilling above criteria only) write Box A8893, Financial Times, 10 Cannon Street, London EC4P 4BY

## **Institutional Equity Sales**

#### City and Scotland

A leading firm of London stockbrokers, with a strong reputation for its research, is seeking an additional member for its UK equity sales team to service predominantly Scottish clients.

The opening should be of interest to executives or partners with a first class reputation with the institutions and of sufficient standing to be able to chair company presentations and similar functions. You will be based in the City but a regular presence in Scotland will be required.

· An attractive remuneration package will be offered and will not be a limiting factor.

Write or telephone in confidence to John Cameron, quoting ref. C367, at 10 Bolt Court, London EC4 (telephone 01-583 3911).

## Chetwynd Streets

Management Selection Limited

## GROUP COMPANY SECRETARY

**South Herts** Manufacturing

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Following the expansion of the Company and reorganisation of the finance department a new senior appointment of Group Company Secretary is to be made. Besides the normal company legal secretarial duties resulting from an active group of companies, emphasis will be on the effective management of insurance, integration of different pension schemes and management of a diverse property portfolio together with some patent and trade mark work.

We are looking for a qualified FCIS, aged c.35 to 45, who has experience of working as a Company Secretary in a large private group of companies or a small public group, and who has the ability to make the company secretarial function an integral part of the commercial management team. Please contact me, Christopher West with brief details, quoting ref. 425C.

**COURTENAY STEWART INTERNATIONAL LTD.** Management Selection and Recruitment Consultants. 11 Maddox Street, London W1R 9LE.

Tel: 01-491 4014.

RESEARCH ANALYSTS -- TOKYO Leading international stockbroker Hoare Govett is seeking two experienced analysts to work in Tokyo.

Experience of Japan and knowledge of Japanese is useful, but not essential.

Of greater interest is an established competence in a sector of a major equity market.

The positions will appeal particularly to analysts in the electronics, telecommunications, pharmaceutical, or financial sectors who are interested in developing global expertise.

The Japanese market offers the right analyst special challenges and opportunity, for while Tokyo is the world's second largest market, sector specialisation is not yet well developed.

### **EQUITY SALES EXECUTIVE**

An opportunity exists to join the Japanese equity desk in London. Candidates at least five years experience. Remuneration and prospects will be commensurate

with this important position. Applications will be treated in the strictest confidence. Please write or call for an informal discussion to:-

Charles Edmond, Hoare Govett Limited, Heron House, 319-325 High Holborn, London WC1V 7PB. Telephone: 01-404 0344.

**HOARE** 

#### **INVESTMENT BANKING CAPITAL MARKETS**

**SWAPS** 

Our client, a top Euromoney listed Investment Banking Institution seeks an experienced London based executive to develop and expand their Interest Rate and Currency Swap activity. The person sought will have several years successful exposure in negotiating, formulating and implementing swap transactions within the Capital Markets area, combined with excellent market connections, and the ability to build a successful profitable team. A salary/benefits package commensurate with responsibility

will be negotiated. **Marketing** 

The International Investment Banking subsidiary of a globally represented Institution seeks to expand its Capital Markets team in London. Several key London based executives are sought at various levels to generate and expedite Capital Market business in various geographic zones which include the USA, UK, France and others. A further person is sought to obtain swaps business. In all cases candidates should have solid Capital Market based experience and will probably offer a professional (ACA, Law), or Graduate/MBA educational background. Excellent salary/benefits packages are available.

For the above positions please contact Bryan Sales **MARKETING OFFICERS** SCANDINAVIA-£30,000 LATIN AMERICA-£23,000 U.K.-£15-25,000 TRADE FINANCE UK to £23,000

A major International Bank in the City is seeking high calibre candidates for the The successful applicants will be able to demonstrate proven track records and

show good experience of marketing to Corporate customers. They should be of degree or ACA level, and have good contacts in the specific sectors advertised, together with U.S. credit training and several years new business experience. Age range between 27-35 years.

#### Please contact Norma Given CHARTERED ACCOUNTANT (Potential Board appointment)

In line with their corporate objective of continued growth, a London based leasing company, the market leader in their highly-specialised field, now requires an exceptional Graduate ACA, aged 28-35, and ideally with a "Top 8" background. Experience within the leasing industry and with computerised systems is prerequisite. Reporting directly to the Financial Director, the successful applicant will be responsible for pricing, structuring and lease evaluations as well as for overseeing the preparation of statutory accounts, budgets and the provision of taxation advice. Effective communication skills allied to the ability to motivate and control staff will be required in order to contribute effectively to the small management team. be required in order to contribute effectively to the small management team.

Please contact Peter Haynes Jonathan Wren & Co. Ltd., 170 Bishopsgate, London EC2M 4LX. Telephone: 01-623 1266



Young Graduate Bankers and Qualified Accountants

## INTERNATIONAL AUDIT IN A MAJOR U.S. BANK to £15,000 + bank benefits

Our client is a large U.S. bank with a worldwide network of branches and subsidiaries. Its international audit team performs a crucial function assessing systems and management controls, highlighting weaknesses and areas of risk. The group utilises progressive audit techniques which depend particularly on the initiative and ability of the team members. These positions offer in return:-

Significant responsibility in the group within the first year.

Complete 'audit' responsibility for a country operation, acting as the group's primary contact with senior management.

Considerable overseas travel (c. 50-60%) to a wide range of locations including the U.S.A., Latin America and Europe.

The opportunity to use this department as a career 'stepping-stone' into senior line management positions with the bank, either in the U.K. or overseas.

There are opportunities both for young bankers of graduate calibre with at least two years experience, or young qualified A.C.A.'s looking for a first career move into banking. Candidates from a banking audit background will also be seriously considered. For the committed 'self-starter' this opportunity surpasses almost any other career route into International Banking.

> Interested candidates should contact Kevin Byrne on 01-588 6644, or send a detailed c.v. to the address below. (Calls on the above number until 7.30 p.m., on Thursday 7th February)
> All applications will be treated in the strictest confidence.

Anderson, Squires Ltd., Bank Recruitment Specialists, 85 London Wall, London EC2M 7AE.

Anderson, Squires

## **CAPITAL GOODS**

Major UK stockbroker with excellent research products and strong international business seeks two high-calibre individuals to contribute to the expansion of their well-established capital goods specialisation. This is an opportunity to join one of the leading teams in this sector.

#### **Institutional Sales**

This key position in helping to expand client coverage would ideally suit an applicant with proven institutional sales experience. We would also be interested to hear from established engineering or building analysts wishing to transfer their expertise to a marketing role.

#### Senior Analyst

The successful candidate will help to increase coverage of the engineering sector both on an international and domestic basis. It is envisaged that this job will appeal to an experienced analyst seeking a career move or, alternatively, to an individual with relevant background in the industry.

In both cases randidates should be aged 25-35, possessing first-class communicative skills and a high degree of motivation.

The remunerative package will be made very attractive to the right individual(s). Please send replies to:

LENDING BANKERS

Our client, a major US Bank, through continued expansion of

its UK and European calling programme, has created a number

corporate lending bankers of graduate calibre, aged 24-33 years.

International Bank, the successful candidates will have spent a

minimum of two years developing their negotiating skills in a

business development experience and will wish to utilise their

capital markets/corporate financial product knowledge in an

offer high rewards commensurate with their importance and

Level of salary will not be a deciding factor as these positions

Please contact Brian Gooch or Peter Haynes on 01-623 1266,

or send C.V.'s in strict confidence to:-

Jonathan Wren & Co Ltd, 170 Bishopsgate, London EC2M 4LX

corporate lending position. They will clearly demonstrate

expanding and rewarding environment.

seniority.

Having completed in-depth analytical training within a US or

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Money Management, the leading personal finance magazine published by Financial Times Business Information, is looking for an ex-perienced financial journalist. The successful applicant will have written extensively on unit trusts; life assurance, pensions and related subjects. Alternatively a more general financial reporting background may be suitable. Either way an awareness of the political and economic cilmate within which the personal finance industry operates is essential.

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EUROPE

A graduate or equivalent, at least an AIB, aged 30 plus, male or female. Must have at least 5 years personal financial services experience working with financially sophisticated clients. A thorough understanding of investment markets, tax planning and on and off shore Trust business is essential. This experience will ideally have been gained working in a Merchant Bank or an off-shore Trust company. Remuneration comprises salary plus profit share. Fringe benefits include noncontributory pension, medical/life cover, company car and relocation expenses.

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He will be the

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Hamburg

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#### FINANCIAL DIRECTOR EUROPE

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The position requires extensive European travel working closely with the European Management Team. Linguistic skills, particularly German, would be advantageous.

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Please write in confidence enclosing a CV to: Ketth Lloyd, Vice President Europe, OMI International (Europe) Corporation, Avenue des Arts 36, 1040 Brussels, Belgium.

OMI INTERNATIONAL CORPORATION

## **Group Management Accountant**

Chanem Al Thani Holdings plays a major part in the development and growth of the state of Qater. The group comprises numerous divisions which include retail outlets, a 5 star hotel, engineering, construction, printing and paper converting, concrete batch production and extractive industry. The combined annual tumover of the group is substantial and the growth of the group is such that a vacancy now exists for a Group Management Accountant, who will be responsible to the 🕡 Financial Director. The major responsibilities will include:-

. Inventory management.

Profit planning and control
 The design and installation of management information systems.

4. The introduction of computerised systems.

The successful applicant will be aged between 25 and 35 and must be a qualified accountant (ACMA or ACCA). A minimum of 5 years' experience covering both job and process costing is

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## **Retail Accountant**

Middle East

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3. Cash management control.

4. Creat control.
5. Inventory management including computerisation of stock control and accounting procedures.
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# Accountancy Appointments

## Finance Director **Construction Industry**

#### Kent

Our client is a publicly quoted industrial holding company, entrepreneurially managed and growth orientated, which has recently acquired a group engaged in civil engineering, building and contracting in the South East, with considerable growth potential. They wish to strengthen the management of this acquisition by appointing a Finance Director.

The latter will be responsible to the Managing Director and, functionally, to the Group Finance Director, with particular emphasis on developing stringent contract cost control, regularly monitoring results against budgets, introducing cash forecasting and control techniques. supervising further computerisation and

#### From £20,000 + car

handling the company secretarial role. Candidates for this challenging role, preferably aged around 40, must be well qualified and should have appreciable experience of operating at a senior level in financial management in the construction

Please write in confidence enclosing career details and quoting reference 6424/L to J. W. Hills, Executive Selection Division, Peat Marwick Mitchell & Co., 165 Queen Victoria Street, Blackfriars, London EC41'3PD.

PEAT MARWICK

#### Financial director

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Resumés, including a day time telephone number, to Executive Selection Division:

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St James's House Charlotte Street Manchester M1 4DZ

# Group Accountant

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ACA 26-30

c.£18,000 + benefits

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Please apply to Anthony Jones, Career Plan Ltd., Chichester House, Chichester Rents, Chancery Lane, London, WC2A 1EG, tel: 01-242 5775.

Personnel Consultants

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profession.
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# **Finance Director**

c £25,000 + car

Surrey

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The main activities of the post will involve the funding and financing of development projects, investigations into possibilities for further growth, contribution to the management of the company through the effective control of the accounting function and working closely with the Managing Director.

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Please write, stating how you meet our client's requirements, quoting ref. 1407 to:

BinderHamlyn MANAGEMENT CONSULTANTS

Anne Knell, Executive Selection Division, Binder Hamlyn Menegement Consultants. 8 St. Binde Steet, London EC4A 4DA. elephone 01-353 3020.

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to £15.000 + bonus

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c. under 30

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Both positions carry the normal staff benefits associated with a large progressive company and there is an attractive purchase discount scheme. Relocation expenses will be considered if appropriate.

Applications, including a full curriculum vitae, to:

Group Personnel Manager SANDELL PERKINS pic Forstal Road Aylesford, Maidstone Kent ME20 7AG



## Financial **Investigations**

Balfour Beatty is a major international construction group with an annual turnover approximately £700m.

An opportunity has arisen to join a small team based at the Group's Head Office near Croydon, which undertakes a wide range of review and investigation assignments both in the UK and overseas. Travel will be up to about 50%.

Applications are invited from Chartered Accountants with at least 2 years post qualification experience. This is a challenging appointment, and the successful applicant must have the ability to deal with all levels of management. Prospects for career advancement within the finance function are excellent.

There is an attractive remuneration package together with a company car, private health insurance, and other benefits. Relocation expenses will be paid where appropriate.

Applicants should send brief career history and personal details for the attention of the Group Personnel Manager, Balfour Beatty Limited, 7 Mayday Road, Thornton Heath, Surrey CR4 7XA.

## **Balfour Beatty**

THE INTERNATIONAL ENGINEERING AND CONSTRUCTION GROUP

## FINANCIAL CONTROLLER

Our client, a newly formed company, is looking for a qualified Chartered Accountant with 12 to 18 months post-qualifying experience, to act as financial controller for its confirming and trade finance operations.

Responsibilities will cover the financial function and central administration including the implementation of accounting systems.

Please apply in writing with detailed CV, to:— Nigel Hughes, Smith & Williamson, Chartered Accountants, 7 Chandos Street, Cavendish Square, London W1M 9DE



#### FINANCIAL CONTROLLER (Director Designate) **COMMODITY TRADING**

West Midlands

c£14,000+car

Our client is part of a rapidly growing international trading group which is expanding into new product and marketing areas.

This rapid growth necessitates the appointment of a technically strong Financial Controller (Director Designate) to strengthen the entrepreneurial management team at its commodity trading company. Reporting to and deputising for the Managing Director, the Financial Controller will be responsible for developing the accounting and administrative functions within the company. This will entail setting up new systems and procedures and producing information for management relevant to the company's business and projected growth. The Managing Director frequently travels and therefore the Financial Controller will also have specific executive responsibilities including administrative work and evaluating new business opportunities.

The need is for a qualified accountant, experienced in systems development (including computer applications), with a commercial outlook and a flair for administration. In addition to the salary quoted, our client offers an attractive range of benefits which include a company car.

Please send full details to: Andrew Millhouse, Ref 342, Managing Director, Deansgate Management Services, 63-66 St. Martin's Lane, London WC2 4JX. Tel: 01-240 9555

#### DEANSGATE **MANAGEMENT SERVICES**

ADVERTISING - SEARCH - SELECTION A DIVISION OF WHITES BUIL HOLMES LONDON AND MANCHESTER

## **Financial Director Designate**

Korean National

Our client, one of the world's fastest growing pharmaceutical companies is expanding its business in the Far East, which has led to the establishment of a developing organisation in the Republic of Korea.

The point has been reached at which a Financial Director Designate is to be appointed. Probably aged 30-40, the successful applicant will be a qualified accountant who is fluent in Hangul and English with experience gained in the UK in a marketing orientated business. Ideally, he or she will also have worked in the Republic of Korea. The primary tasks will be the introduction of potentially fully computerised accounting systems for both financial and cost accounting.

After an initial period of training in the UK, the person appointed will take up the duties and responsibilities of the job in Secul and be permanently based there. Please write with full details. These will be forwarded direct to our client. List separately any companies to whom your application should not be sent. Ian White ref. B.1892.

> HAY-MSL Selection and Advertising Limited, 52 Grosvenor Gardens, London SW1W 0AW.

## CONFIDENTIAL ADVERTISING

## Management **Accountants**

The Client: part of a substantial telecomms/computing group, this division subsumes several household names, and achieves enviable levels of turnover and profitability.

The Positions: each encompasses the development of management information systems, investment appraisal and performance measurement. A seminal involvement in the formulation of business strategy -covering a variety of companies, products and disciplines - will be an attractive feature. and the second second

The Candidates: must be qualified accountants with wide-ranging experience and a commercial rather than narrowly financial perspective. The preferred age range is 25-40; a degree would constitute an advantage. Applications, please quoting Ref. 145/1/FT, to S C Mackay, Charles Barker Management Selection International Limited, 30 Farringdon

**CHARLES BARKER** 

SELECTION · SEARCH · ADVERTISING

## MANAGEMENT ACCOUNTAN

**Central London** 

Street, London EC4A 4EA.

c.£17,500 pa

Cable and Wireless, the worldwide tele-communications Group, has recently established its Cableships & Submarine Systems Division as an independent and fully accountable business unit. An experienced Accountant is now required who will have the opportunity of stamping his/her personality on a team eager to expand progressive management accounting systems. Your comprehensive responsibilities will include the development and introduction of integrated financial recording and management accounting systems, the provision of financial guidance to support the implementation of plans and policies, and active involvement in the policies, and active involvement in the

Candidates should have a commercial Candidates should have a commercial background in a service or manufacturing industry, a knowledge of computerised accounting systems and some exposure to project management accounts. You must be able to demonstrate management ability, self-motivation and career progress in a competitive environment, and will be professionally qualified.

professionally quarmed,
There are good career prospects
throughout the group. Relocation expenses
will be paid where appropriate.
Please forward full CV or telephone for an application form to:
The Recruitment Manager (Ref R420).
Cable and Wireless PLC, Mercury House,
Theobalds Road, London WCLX 8RX.
Tel: 01-405 4980 (24 hours).





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# information in

# Accountancy Appointments

# European Finance Manager

Richmond, Surrey

from £18.000 + bonus

Our client, a US multinational with a turnover approaching \$1 billion, is a market leader in the manufacturing and marketing of a high quality range of consumer products; they have an exciting growth rate and a sound profit base.

The European operation includes four manufacturing subsidiaries and a number of international marketing businesses.

Reporting to the Director of Finance, Europe, a financial executive is currently required at the European headquarters to be responsible for financial reporting and analysis, the enhancement of financial management and to contribute to business planning and control.

Personality and professionalism gained in a manufacturing and marketing environment are key qualities for this high profile appointment; probably aged 27-32, you will be an assertive organiser, self motivated and highly numerate. Liaising closely with non-financial management, you must be able to communicate effectively with a wide range of nationalities and disciplines. Consequently an element of international travel will be necessary.

The attractive remuneration package will be determined by your expertise and potential. Prospects for promotion within finance and other disciplines are excellent. Relocation expenses will be available where appropriate. Interested applicants should write, enclosing a comprehensive c.v., to John Sheldrake, Executive Division, at 31 Southampton Row, London WC1B 5HY, quoting ref. 210.

Michael Page Partnership International Recruitment Consultants London New York Bristol

Birmingham Manchester Leeds Glasgow

### MANAGEMENT **CONSULTANTS** ACCOUNTANTS

Consultancy assignments available

S.W. London, Surrey Middlesex, Berks. involving the development of private companies. Applicants should have experience in business planning together with

proven consultancy C.V.s in confidence to:

Box A.8896 Financial Times 10 Cannon Street London EC4P 4BY

## European Financial Controller

Major new venture

A leading American health care and hospital group, which is significantly expanding its international activities, requires a financial controller to join a newly established management team in Britain. In a major new venture, the team is to develop a series of recently acquired British interests and manage the group's future growth in Europe.

Reporting to the Vice-President European Operations, the financial controller will be responsible for all aspects of the setting up and management of the accounting functions for the new operations throughout Britain. Based in central London, the appointment will involve some travel and will entail designing computerised accounting systems and controls, recruiting staff and providing information relevant to the business and its future European

The requirement is for a qualified accountant, aged around 35, with the flair and management skills to work in a fast moving group. Experience of an American, health care or related company is also sought.

Remuneration: up to £30,000 plus a car and other benefits.

Please write in confidence to CT Garcia (Ref 383).

TMIL KMG-

Thomson McLintock Associates 70 Finsbury Pavement London EC2A 1SX

## Career Opportunities in Commercial Accounting

**Manchester & King's Lynn** 

c.£14,000 p.a.

We are Campbell's Soups and Unger Meats, part of the profitable Cambell's U.K. organisation, and are currently enjoying an important and exciting planned

As a direct result of our expanding product range, and the identification of new business and marketing ideas, we currently have new appointments for commercially orientated accountants, seeking stimulating and imnovative roles in business analysis and financial planning.

Responsibilities will essentially involve reviewing, analysing and commenting on business performance by product group, and/or major customers. Close contact with sales and marketing management is an important part of the brief, as is the evaluation of new business opportunities. The Manchester appointment will also involve close liaison with the manufacturing and operations functions.

The person appointed, ideally A.C.M.A. qualified (or equivalent) will have at least 5 years professional management accounting experience in the f.m.c.g. market. He or she will need to communicate effectively at all levels, and have the initiative and determination to make a productive contribution to business objectives. Positions are available at both MANCHESTER and KING'S LYNN.

We offer an attractive salary and usual big company benefits including relocation stance where appropriate. Please telephone David Page (U.K. Personnel Manager) for an application form at the address below:

The Caledonian Aviation G Group

Chief Internal Auditor

Our client, The Caledonian Aviation Group plc, has requested us to advise them upon the appointment of a Chief Internal Auditor, to be based

department. Audit assignments will include regular review of financial

have experience of managing an internal audit department in a large

systems and management controls, together with a wide variety of one-off

This is a new post and the duties will be to develop and to manage the

Candidates, aged 35 to 50, will be Chartered Accountants and must

Salary is unlikely to be a barrier to the right candidate and the benefits

Please write in confidence enclosing a detailed curriculum vitae, quoting reference F115/P, to Michael Ping, Ernst & Whinney Management

Ernst & Whinney

Consultants, Becket House, 1 Lambeth Palace Road, London SE1 7EU.

at the corporate headquarters near Gatwick Airport.

organisation, preferably in a service industry.

ampoelles

Gatwick

are generous.

King's Lynn, Norfolk PE30 4HS. Tel: King's Lynn (0553) 5051

Generous salary & benefits



#### **Civil Aviation Authority**

## Management Accountant

Central London Salary £12,500-£15,400

The Civil Aviation Authority is an independent statutory body responsible for the economic, technical and operational regulation of British civil aviation and for providing air navigation services. The Authority has an annual turnover

An opportunity exists for a qualified accountant in our Central Finance Division in London.

Reporting to the Manager, Management Accounting, the Job-holder will be directly responsible for the provision of periodic Management Reports and the supervision of the Authority's costing services so as to ensure that costs are accurately and fairly recovered for the services provided.

The preferred applicant will have specialised in Management Accounting and will be able to communicate effectively with Technical and Administrative staff at all levels.

Salary will be on a scale rising to £15,382 inclusive of Inner London Weighting. Other benefits include generous leave allowance, an excellent confributory pension scheme and an interest free season ticket loan.

Please write or telephone for an application form to: Miss J. T. Carpenter, Personnel Services, Room T1220, 45-59 Kingsway, London WC2B 6TE. Tel: 01-379 7311 ext 2383 or answerphone 01-240 8448. Closing date for completed application forms is 28th February.



## **FINANCIAL** CONTROLLER

A SENIOR ROLE WITH A HIGH TECHNOLOGY LEADER

Our clients are in the business of desiguing, manufacturing, marketing and installing computer-based television editing equipment and post-production systems for use in broadcast television, facility house and corporate television markets. The company operates both here and in the United States and sells worldwide.

A Financial Controller is required for the head office based at A rinancial Controller is required for the head once based at Brentford (Middlesex) and will report to the board. The responsibilities will include consolidating divisional results, controlling cash flow, preparing and monitoring budgets and forecasts and preparing final accounts. You will need to be a qualified accountant and previous experience of installing and operating a computer-based system will be an advantage.

Please send full career details, in confidence, quoting reference

Victor Smith York House, Empire Way Wembley, Middlesex HA9 0QL

Salary to £16,000 plus fringe benefits

BENJAMIN KAY & BRUMMER

## ACCOUNTANCY APPOINTMENTS APPEAR EVERY THURSDAY

Rate £37.00 per single

column centimetre

#### **BROOKES AND GATEHOUSE**

#### **Financial Controller**

(Director Designate)

South Coast .:

c £22,000+Bonus+Car

B&G is a leading marine electronics manufacturer based in Lymington with a U.S. subsidiary. Turnover is growing at a rate of 20 per cent p.a.

at a rate of 20 per cont p.a.

8&G is part of the Unitech pic Group.

The person appointed will be a key member of the management team and will be expected to make a full contribution to business strategy. Candidates, aged in their mid thirties, should have experience of manufacturing industry and E.D.P. systems. High emphasis will be placed on successful career development and managerial skills. Experience of salling would be an advantage.

Please write in confidence, with full career details, to: BROOKES & GATEHOUSE LTD Bath Road, Lymington, Hants 504 9YP

#### FINANCIAL CONTROLLER

Age: 26-35

Circu. £15,000+Car

ent Reports. sees an IRM System 34 and, therefore, a knowledge of would be an advantage.

computers would be an advantage.

This is a career opportunity with the anticipation of taking up the post of Company Secretary with Board representation.

We are a Group of Six Companies servicing the Property-Industry with plans for growth in this exciting sector of the market.

63/65 Goldhawk Road, London W12 8EH

Financial Control City Bank

£14,000 + benefits

My client is a well respected International bank that needs a young newly/recently qualified Charlered Accountant ideally with some tax experience. You will work with the financial controller, at officer level, and be involved with investigations, budgeting work and taxation. Some experience of banks useful, not essential. This challenging role offers excellent scope for career development and progression. Package is £16,000-£17,000. Contact Brian Ingram or Peter Briggs FCA.

Management Consultancy Central London £14,000 to £25,000



Our client is a major international consultancy who requires high quality graduates with an excellent track record, aged 25 to 34 years for varied assignments. D.P. specialists and ACA's especially needed. Cood communication skills and a strong personality essential, with varied commercial/industrial experience desirable. Rapid promotion dependant on ability, not age. We also have posts with Provincial offices for young ACA's and D.P. specialists. Contact Peter Briggs FCA. **Loans Officer** 

EC4 £22,000-25,000

This client is a prominent International bank, currently involved in a phase of considerable growth and development. As a result they require a senior loans officer to help develop their European coverage. You should have at least five years experience, which should include a period as senior officer, and be fully conversant with UK and European markets. (Age to 35). Contact Andrew Linden.



Foreign Exchange Dealer

Our client is one of the largest North American banks, with a rapidly developing foreign exchange department. They are looking for a high calibre spot and forward dealer to enhance their expansion. The ideal applicant will have had at least three years experience in a similar bank, and be in the age range 24/28. This is an outstanding career opportunity for an ambitious youing dealer, looking to progress with a well respected bank. Contact Andrew Linden on 01-629 3555.

Contact Andrew Linden, Peter Briggs or Brian Ingram Telephone 01-629 3555 7071 New Bond Street, London WIY 90E

## **Finance Director**

c. £30,000

Southern Home Counties

Our client is a successful and expanding publicly quoted high technology company. As a result of its growth its management needs are becoming more sophisticated.

A chartered accountant, in the early to mid thirties, is required to direct and lead the financial function. In addition to controlling all aspects of the company's financial activities, a prime need is to provide support to other line directors and managers.

Candidates should preferably have worked recently in a small company at senior level, following experience in a well developed financial operation.

An excellent salary and benefits package will be negotiated. Please write - in confidence - with full details to Brian Woodrow ref. B. 73262.

HAY-MSL Selection and Advertising Limited, 52 Grosvenor Gardens, London SW1W 0AW.

MANAGEMENT SELECTION

# Divisional Accountant

**Essex** 

c£15,000

Our client, Brent Walker Limited, is an established, successful and fast expanding group engaged primarily in the letsure and entertainment industry. Emphasis is now being placed on strengthening their professional management team and as part of this plan they wish to appoint an ambitious, qualified accountant to take responsibility for operations throughout Essex.

Leading and mativating a team of stryouwill prepare all management and statutory accounts for five profit centres, and report directly to Head Office in Landon. You will supervise relocation of offices from Westalliff to Basildon and be involved in the continued computerisation of systems.

continued computerisation of systems.

This position demands a high level of commitment, sharp business acumen and the ability to put creative thinking into practice.

Prospects are excellent and applicants between 30-40 yrs. should contact

(01) 409 1343 quoting ref. LT-10 or send details to:

Le Tissier Executive Selection, By House, 37 Dover Street, London WTX 3RB.



Executive Selection

# Accountancy Appointments

## **Group Chief Accountant**

London SW1

to £22,500 + car

For an expanding private investment group with wide ranging business interests in Europe, North America and the Pacific.

As Group Chief Accountant you will head up a small team responsible for the prompt production of financial and management information to the Board, the year end consolidation, cash management and the preparation of budgets. You will also be concerned with a variety of special projects.

Probably in your 30s or early 40s, you will be a qualified accountant currently in the profession, in commerce or at the headquarters of an international group. Maturity, tact and commercial awareness are essential attributes in this close knit and highly professional organisation. The remuneration package includes attractive fringe benefits.

Write in confidence to John Cameron, quoting ref. C357, at 10 Bolt Court, London EC4 (telephone 01-583 3911).

> Chetwynd Streets

> > Management Selection Limited

## CONTROLLERS **AUDIT AND INVESTIGATIONS**

c. £17,000 plus company car South Yorkshire base

A thrusting and dynamic British Group, we have an earned reputation for innovation, and for marketing a diverse range of equipment systems. We have doubled profitability each year, for several years, and growth is continuing.

These new roles—one for the Northern operation, one for the Southern operation—call for individuals capable of ensuring the integrity of internal controls (accounting and operational), and of improving efficiency and profitability. Responsibility is directly to the Group Board. Ideal candidates will be in their 30s, with a relevant qualification, and extensive experience within the finance area: previous auditing experience is essential, as is the right blend of personal qualities.

To discuss these appointments, telephone the Company adviser, Tony Hurst, on 075 35 54917, or write to him in confidence quoting reference R712, at:-

BKI Management Consultants Limited, No 8 Sheet Street, Windsor, Berkshire SL4 1BW

SEARCH AND SELECTION

# Accountants

(Management & Financial) **Northants** to£16.000 + car

A distinguished UK group setting up a new manufacturing facility seeks three accountants (Costing, Management & Financial) to support the Controller in establishing and developing control and reporting systems, with computer

Candidates must be qualified accountants (or finalists) aged over 25 with several years relevant industrial experience. For the financial accounting post a mature experienced part-qualified candidate would be welcome but the salary is lower (to £14,000, no car).

For fuller details, apply to Wendy Dare at JC&P. Selection Consultants, 104 Marylebone Lane, London W1M 5FU, showing clearly how you meet our client's requirements quoting ref. 7170/FT. Both men and women may apply

John Courtis and Partners

c£27,000+car+bonus

# **Financial** Controller/

c. £18,000 + Car& Profit Share

Our client is a specialist acoustic engineering group working for the building services and petrochemical industries. It is a market leader in its field with tumover approaching £4million.

poised to move forward into a period of accelerated growth and prosperity. Careful financial planning and control will however be essential and they have decided therefore to appoint a high calibre, commercially astute Financial Controller/Director Designate

broad based industrial experience including planning, budgetary control and cash management in a computer-based systems environment. Some exposure to tendering and project management would be a plus point.

An attractive remuneration package is offered, including relocation assistance, and there are excellent prospects of a Board appointment in due course for someone who can demonstrate top level management ability and

## **Financial Director**

West London

Our client is a well established company involved in the manufacture of consumer electronic equipment. Recently acquired by a dynamic £100 m t/o industrial holding company, major plans for reorganisation are anticipated in the short term. Developing a highly professional management team, the Financial Director will be required to appraise operational activity, direct strategy and implement new and cost -- effective

Reporting to the Managing Director and functionally to the Financial Director of the holding company, the successful candidate will be a qualified accountant, with at least 3 years relevant p.q.e. and around 2 years exposure to a fast moving manufacturing environment. An assertive, positive and energetic approach is essential in order to make a substantial contribution to corporate growth and development.

Committed to a policy of expansion and diversification, this progressive group offers exceptional scope for career advancement and the highly attractive remuneration package will reflect the significance of this vital

Interested applicants should write to Philip Cartwright ACMA, Executive Division, enclosing comprehensive c.v., quoting ref. 209, at 31 Southampton Row, London WCIB 5HY.

Michael Page Partnership International Recruitment Consultants London New York Bristol Birmingham Manchester Leeds Glasgow

## Fresh challenges for innovative Accountants

up to c. £20,000 + car

Swindon

The energy and innovative ideas we have invested in the field of financial management have brought Allicid Hambrocatistanding success and impressive corporate growth.

A major factor in this success has been the expertise provided by our Finance Division. To keep our levels of creativity and enterprise in step with this rate of growth we asslooking for two original—thinking and forward-looking young accountants who can help us build on our already everylage switch.

The essential qualities you will bring to our professional management team include a first class analytical and investigative mind and the ability to put your ideas across, both verbally and in writing. Because project work will be central to your role, demonstrable experience in this area ideally

gained in financial services is important.

We are looking for men or women aged 28-32 with good degrees and a background including at least 2-3 years post qualification experience in a company with high financial standards.

In addition to the attractive salary plus car, our compre benefits include a non-contributory pension scheme, free life assurance, BUPA and generous help with relocation to this attractive part of the country.

If you feel you would like to put some real challenge into your professional life phone Christine Carle on Swindon 10793, 45344

(24 hour answerphone service), or write to her at the

Share in our success Personnel Department, Hambro Life Assurance plc, Allied Hambro Centre, Swindon SN1 1EL.

**Financial Controller** 

c.£18,000 plus car

PERSONNEL ADVISERS

computer and information systems.

Candidates in their 30s must have a

recognised accounting qualification.

contracting would be an advantage.

They will have experience at a senior level in engineering industry and be used to managing a sizeable department. Previous involvement with Government

Basic salary is negotiable around £18,000

and there is an excellent benefits package

including a fully expensed car. Relocation costs to the head office to the west of London will be reimbursed if appropriate.

Please write - in confidence - with full career details to A. D. Percival at

Bull, Holmes (Management) Limited.

20 Albert Square, Manchester M2 5PE,

As a result of continuing expansion our

client wishes to appoint a well-qualified

manager to take responsibility for the entire financial function. In addition,

he or she must be capable of filling the larger role which will result from the policy of overseas acquisitions. The

company, part of a successful British engineering group, has a turnover

sophisticated components for the aerospace and similar markets in the

The person appointed will be expected to play a significant part in the general

management of the company, especially

in the continuing development of

U.K. and overseas.

of £25m. manufacturing and marketing

**COMPUTER AUDIT -- CITY BASED** Division Manager computer audit.

Preferred background -- banking DP or banking management consultancy. The client operates in a large scale IBM Systems environment and hands on IBM experience is desired. (Age 25-35).

Two positions exist within the Latin American group for young auditors with International Banking experience. High travel content is to be expected. Preferred background - young bankers with operations experience or young ACA's.

openings within the Bank are also welcome to make contact now.

Gardens

25 Cornwall

YOUNG AMBITIOUS A.C.A. City Bank Package to £18,000



Our client, Wardley London Ltd., is the expanding U.K. Merchant Banking arm and wholly owned subsidiary of the Hong Kong & Shanghai Banking Corporation. Main activities are within the areas of Corporate and Export Finance, Lending, Property Services and Capital and Money Markets.

Your principal responsibilities will be the implementation and continued development of departmental management reporting systems, management accounting/reporting and

Salary is negotiable to £15,000 plus banking benefits to provide a package of up to

For further information please ring or write to Susan Ross.

FIRTH ROSS MARTIN ASSOCIATES, WARDCATE HOUSE, 59A LONDON WALL, LONDON EC2M 5TP. TELEPHONE 01-628 3441

Firth Ross Martin

# ACCOUNTANT

We are a profitable, privately-owned group of companies in the construction industry, based at attractive offices in the Midlands. Annual turnover is currently £25 million.

Due to the impending retirement of the present Chief Accountant we are seeking applications from suitably qualified candidates to take over his duties. The successful candidate will report to the Financial Director and will have responsibility for all financial aspects of the computerised accounting systems including statutory and internal reporting. He or she must be able to demonstrate previous experience in this area together with a good working knowledge of corporate taxation and development of computer systems. The ideal candidate will be a Chartered Accountant aged between 35 and 45.

We offer a salary within the range of £15,000 to £18,000 p.a. together with a car, medical insurance and a non-contributory pension and life assurance

Interested applicants should write in confidence, with full details of their education and career to date, to: The Chairman, Box A8892, Financial Times 10 Cannon Street, London EC4P 4BY

#### FINANCIAL CONTROLLER

From £17K+Car

Age 25-30 SW London

VAMP has recently concluded substantial venture capital funding to market a powerful computer system for general medical practitioners. The system has a substantial lead in the field and will make a real improvement to primary health care. A USM listing is a financial objective.

Reporting to the MD, this post has great potential including a possible board position for a successful incumbent

A qualified graduate accountant is needed: to set up and run all accounting and management information systems, to be responsible for budgeting and for cash projections and management. This will mean rolling up your sleeves and becoming involved in all aspects of the company's development. We need quality and ambition to help rapid startup and controlled growth. If that's you, send your CV to arrive by February 15th:

Robert Ashby Value Added Medical Products Ltd 10 Colville Terrace London W11 2BF



# **Director Designate North Hants**

The group is trading profitably, its forward order book is strong and it is now

Applicants will be Qualified Accountants, aged 30-45, with several years

Please send concise details, including current salary and daytime telephone number, quoting reference M2026, to W.S. Gillland, Executive Selection

Thornton Baker Associates Limited, Fairfax House, Fulwood Place, London WC1V 6DW.

## **BANKING** 22K-30K + Car + Mortgage

Our client, one of the world's most prestigious financial institutions, is expanding two specialist field activity groups within the London based operational audit team and has additional openings in the Latin American division, which reports directly to New York. Previous team members now hold senior executive positions in Marketing, Investment Management, Data Processing and Corporate Reporting. Our client expects to attract individuals with outstanding potential, who have already exhibited exceptional managerial capabilities, through rapid promotion in a competitive professional environment.

Entrance requirements concerning intellectual capability, personality and drive, reflect the seniority of these appointments and the high level of senior management interface required. Technical expertise at managerial level should already have been demonstrated, because of the complex issues facing our team leaders in the immediate future. Ideal candidates are aged between 25 and 29 and already identified as obvious partnership prospects.

STOCKBROKING - CITY BASED Division Manager required with experience of the audit/operation of major International Stockbroking operations. Preferred Qualification -Chartered Accountant with manager/ supervisor status. We expect further acquisitions activity in this area and the successful applicant will be expected

to play a key role.

AUDIT GROUP LATIN AMERICA

Young graduate ACA's 24-26 interested in discussing possible future Applicants should send a detailed c.v., which will be treated in the strictest confidence to J. PHILLIP-SMITH FCA.

Advertising and Search Division

**Wardley London Limited** 

As part of their significant expansion programme they are now seeking to strengthen their financial reporting system by the appointment of a high calibre Accountant.

You will probably be aged 24-29 and have recently qualified with a major firm in the profession, have good interpersonal skills together with the initiative, energy and enthusiasm to accelerate your career development within this entrepreneurial

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#### THE ARTS

Los Angeles Theatre/Frank Lipsius

# Hollywood's poor relations

Los Angeles residents used simultaneously to say there was no theatre in rooms. The audience choose a LA Now they admit, there is character to follow and can theatre, but claim they never go to see it. As a result, the theatre operates on the fringes of prosperity and poverty. On the one hand, many of the productions are Broadway imports, like Cate or Broadway tryouts. like Cats, or Broadway tryouts, like Neil Simon's new Bilori Blues, bound for Broadway in the spring. On the other hand. Los Angeles has spawned its own form of theatre through "waiver houses," where seating of less than a 100 frees manage-ment from Equity rules and

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IEF

Theatre is surprisingly slighted in a city that is so caught up in entertainment. Film and television of course predominate, but successful films like On Golden Pond, A Soldier's Story and Amadeus all originated in theatres. But fundamentally, the theatre life of I A repulses the same the same life. of LA revolves round the needs of actors rather than writers. In some ways, writers are lucky to be treated as casually

as they are. Their plays, some-times even skits, get performed at an earlier stage than they might in New York. Theatres hungry for material encourage writers with constant workshops and an endless stream of free performances, where audiences consist of the actors' friends and, they all hope, pro-fessionals looking for new talent. Even established per-formers hone their skills on from to flive audiences, an ambivalent advantage to writers who may not yet be ready for their big break. The results mirror the dominant industries of the city where the written word is so much fedder for the more obvious talents of

actors and directors. If experimentation is Los Theatre's forte, hybrid theatre, subtitled "A Living When LA had has found its proper still boasted the Originally produced in Toronto, John Krizanc's drama productions, now presenting uses a whole house with Marsha Norman's latest play, numerous scenes taking place Traveller in the Dark. If the

In what Sir William Rees-Mogg of the Arts Council has described as "the first fruit of The Glory of the Garden," the London Sinfonietta is to be the

first recipient of a challenge

day that IBM UK is to spon-

sor the orchestra to the sum of £50,000, which will be matched

by a challenge grant from the

Arts Council. The total will be

spread over three years, begin-ning in autumn 1985.

character to follow and can people in tow, frantically trying to keep up with the action.

The real star of the production is the house itself, a glorious old American Legion bailding that might have been inspired by William Randolph Hearst's margion. Son Simon Hearst's mansion, San Simeon, The building perfectly suits the drama, with the Spanish central hall overhung with balconies and stately bedrooms, a large eerie auditorium, and a catacomb of cellar rooms fit for intrigue. Robert Checchi's design makes the most of the space and the play's setting in 1927 Italy, where Mussolini puts under house arrest Gabriele d'Annunzio, the charismatic Italian patriot. Devoting himself to section and interference. self to seduction and intrigue, d'Annunzio invites Tamara de Lempicka, a Polish artist, to his mansion to set off the bizarre

events of the evening.
Director Richard Director Richard Rose manages to block the show to prevent too much traffic congestion but the play soon degenerates into seduction upstairs matched by seduction downstairs, as little happens lest anyone miss significant events in other rooms. The elegant local restaurant, Ma Maison, serves snacks and sweets in the interval, a reminder of Mussolini's comment about d'Annunzio that a rotten tooth should be extracted or filled with gold.

A cast change will soon bring to the production Karen Black and Anjelica Huston, making even more of a movie of the When LA had no theatre, it still boasted the Mark Taper

Forum, an originator of local

First fruit from the council garden

grant will contribute to promoting at least one annual concert

for forces larger than those usually dictated by financial

limitations; the restructuring of the Sinfonietta's marketing and public relations activities; and general funding for the costly

business of performing modern music with its stringent

London Philharmonic/Festival Hall

David Murray

The Fourth Symphony of affection for the work is fresh did no harm. In the famous Bruckner was one of Klaus as ever. dialogue between strings and Tennstedt's first great successes in London, and Alfred Bren often cultivated a noticeably part was all sweet reasoning

on equipment and

demands

del's mastery of Beethoven's percussive tone, only too apt Fourth Piano Concerto has long for the pedagogical point-been admired (not that he making which is his occasional

always plays it the same way!). failing There was none of that We heard them again in Tues- in this G major Concerto, not

We heard them again in Tuesday's London Philharmonic even in the bright Finale. The concert, and there was no piano sounded silvery-soft, cause for disappointment. If sometimes ethereal — though Tennstedt had nothing specially vital to contribute to the Beethoven, Brendel's authority was more than sufficient to excited fluster in the orchestra (no doubt Bruckner got more it was clear from the start that the conductor's exemplary more vivid by contrast, and they

Besides commissions,

relationship with the ensemble orchestra resident at a poly-for some years. or university in the

rehearsal time.

The challenge sponsorship has already been earmarked to enable the Sinfonietta to commission work from three distinguished composers: Gyorgy—inception in 1968 as the foreguished composers: Gyorgy—inception in 1968

playwright took a wrong turn toward intellectual sensationalism in the suicide subject of might Mother, the new play compounds the error with morbid unrewarding chat on a day of two funerals in rural New England.

While one of the funerals is

passed over in a line of dialogue the other becomes the focus of the play. Len Cariou plays a surgeon ruminating before and after the funeral of his nurse, whom he has known all his life. whom he has known all his life. In fact, she was in love with him, as is known by his wife and the surgeon's father, who is also the local preacher. Having such a tight-knit group does not prevent the play from falling into confusing references to unclear relations, like the preacher's real feelings about preacher's real feelings about the dead nurse. Scott Grimes plays the surgeon's precocious son who asks a lot of cosmo-logical questions and then is supposed to be wiser than his confused and frustrated father.

Miss Norman's first success, Getting Out, had both strong characters and religious overtones, while Traveller in the Dark pursues unanswerable questions to the detriment of the contractors. character. Ming Cho Lee's evocative autumn New England set cannot overcome the leaden subject and director Gordon Davidson's succession of un-animated paired discussions.

The LA Theatre Works' world premiere of Mizlansky/Zilinsky puts the budding talents of playwright Jon Robin Baitzon in the hands of an excellent cast headed by Robert Hirschfold Zill of an excellent cast headed by Robert Hirschfield, Hill Street Blues' Leo Schnitz. The topical subject — film directors being drawn into tax-shelter film-making—would dissipate without the forceful presence of Al Ruscio as dizlansky, a fast-talking hustler. Unnecessary changes of scene and a less than clear articulation of the business side of the that deal with the Olympics and tax-shelter show just how premature the staging is, while Jerry Erwin's Baglady uncovers giving good value in the acting two talented actors in Carol

technic or university in the country. Its uncompromising

repertory underlines the prob-

marketing of newer organisa-

without any anxious pleas, and the Finale was a light, celestial

Tennstedt has a gift for

securing a simple, rustic note in the Bruckner Fourth—a convincing naturalness that does infinitely more for the music

lems of funding modern work.
"Beethoven and Solti market themselves," Sir William said, while emphasising that while the mechanics of funding the mechanics of funding the demands of time caused me: to miss the

big institutions remained intect last few minutes of the play in periods of economic strain, but because his sporadic there were desciencies in the moments of power and intelli-

The attitude of IBM, with its interest in the audience of the



Deborah May and Len Cariou in Traveller in the Dark

Hamlet/Young Vic

Claudius

while

culating look at Laertes during

the account of Ophelia's death.

Natasha Richardson is mov-

convincingly vulnerable through-out; as her father Michael Cronin is a more understated

Polonius than some: his pom-

standing on top of obliviously praying king.

practically

**Martin Hoyle** 

and Nina Ruscio's simple self- Sigurdson as the park-bench contained sets. Actor's Alley, a Sherman Oaks repertory company, alternates week-end performances of Art Buchwald's old comedy, Sheep on the Runoay, with week-night skits gathered to-gether as Bits and Pieces. The free evenings of skits emphasise the topicality of new works, with Vallie Ullman's two pieces

gence have yet to coalesce—as

they surely will—into a consis-

the closet scene with Gertrude)

is all on the surface. There are no overtones, no ambiguities; and a Hamlet without irony, the ability to mock himself as well

as others, without self-aware-ness, in fact, almost deprives the character of his central

This Hamlet shows little of

the dithering the anguished consciousness of his own inertia.

consciousness of his own inertia.
The lack of depth comes out in the extremes of Mr Marsh's style: the muted beginning, the characteristic note of puzzled reasonableness, and the shouted rage of "damned smiling villain"—with nothing convincing in between, certainly no cardonic humans.

denizen and Tony Burton who disturbs her repose. The most accomplished short, John Jory's Blondes, pits a leggy Michele Rogers against a timid Raul Staggs, who succeeds against the odds in convincing the woman to go out with him. Theatre is at least alive—and struggling to get better, and bound surely to gain more attention in the surprisingly

at Phillips yesterday which was selling second hand Valentines. There was little interest in the "humorous" cards — a mech-anical Valentine of around 1870 with a facetious message was sold for £15—but the more lov-

Having been immensely im- duction with its inevitable mili-pressed by Matthew Marsh as tary uniforms and all-purpose the South African dissident dark space, platform and back gallery. Drawn daggers go uneasily with lounge suits, even for £160 as did a pair, dating from around 1830. There were many American buyers in the lounge suits without shirt or shoes (to convey madness). The stylised jolis against the naturalistic when Hamlet rasps out his hesitation over killing room and all the 450 lots sold, for a total of £8,034. A typical price was the £110 paid, as as against a £30 forecast, for an of the 1845 scene of young lovers which lifted up to reveal a

Despite being under-directed, Jonathan Burn's teddy-bear Auctions elsewhere went very much as expected. Sotheby's Claudius opts for the naturalis-tic when he can; his conversasold Victorian pictures for £189,073, with 11.5 per cent unsold. The top price was the £8,580 for a badly damaged painting of a racehorse by Harry Hall. Sotheby's had put a top estimate of £900 on the tional tone can be expressive or trivial; his nervous wiping of invisibly stained hands recalls another tragedy of northern royalty; and he comes into his own when darting a slyly callot but obviously there were two keen buyers for a poor quality work by an appreciating Here is a political opportunist in the making, the not too bright head of some precarious

roionius train some: ms pom-pous prolixity sounds familiar from perorations broadcast from the mother of parliaments. The production, like its pro-tagonist, is certainly not passion's slave. The mimed play-scene in Jacobean costume is a Tabriz carpet.
Top price of the day was paid at Christie's, £15.120 for a Fabergé service of 11 pieces.
An unusual eight light candelabra made £6,696 in the Russian autoing which totalled £98.701 infinitely more for the music than portentous weight or whipped-up drama. Again he scattered little touches of colour throughout the first movement, suggesting vernal life al fresco without blurring the unburried argument.

Teasonatieness, and the sinuted tagonist, is certainly not passion's slave. The mimed play-said passion's slave. The mimed play-said passion's slave. The mimed play-said in the Russian passion's slave. The mimed play-said passion's

#### Record Review/Dominic Gill

## Disproportionate talents

Grieg: Plano sonata op. 7; Lyric Pieces op. 7 and 43. Zoltán Kocsis. Hungaroton SLPD

Mozart: Piano concertos K414 and K488. Zoltán Kocsis, Liszt Ferenc Chamber Orchestra/Rolla. Hungaroton SLPD 12472.

I have many times remarked in these pages on the dozens of accomplished young Hun-garian instrumental virtuosos who in quite disproportionate numbers (the total population of Hungary is slightly less than that of Greater London) throng each year from the doors of the Liszt Acadamy in Budapest. It is sad that so few of them are heard regularly in person in England; but the state record company Hungaroton treats company Hungaroton treats most of them well, and allocates to the best of the nation's (Hungaroton discs are generally found at or ordered through most dealers without difficulty queries may be addressed to the UK distributors, Conifer Ltd... Horton Road, West Drayton, Middx. UB7 8JL.) Of the trio of remarkable young Hungarian planists.

young Hungarian planists.
Zoltán Kocsis, Desző Ránki and
András Schiff, who came to
prominence during the 1970s, Kocsis is perhaps the most colourful, individual and surprising. Like all great artists who have, and project in their art, a powerful sense of theatre and occasion, Kocsis is particularly difficult to capture on disc; but some at least of the flavour and the range of his playing can be got from Hungaroton's Kocsis sampler—a selection of live recital and studio perform-

Zoltán Kocsis in concert: Hungaroton SLPX 12239. when Kocsis was still in his teens, and 1978 (dryly characterised by the Bartók scholar in the Lyric Pieces: that series András Wilhelm in his sleevenote as an "objet trouvé, a spread over seven opus concert that never took place ").

We have a pair of Schubert Impromptus and a trio of Rakhmaninov pieces, wild and brilliantly incisive, and an exuberant Liszt Csdrdas obstine full of flying colours, driven to the limits of rhythmical and tonal obstinacy, all taken at a recital six years ago in the hall of the Liszt Academy in front of an audience whose audible excitement is barely contained. There is also a powerful Chopin G minor Ballade, and an exhibarating Venezia e Napoli from Liszt's Années de pèlerifrom Liszt's Années de pèlerinage. Most valuable of all is
a studio recording dating from
1971 of the rarely performed
(merely because, I have always
assumed, so fiendishly difficult)
but wonderfully rewarding
three Bartók Studies op 18—the
second of which especially is
one of the most haunting and
dramatic pieces of Bartókian
night music for any instrument night music for any instrument (the only version of the op 18 Studies currently listed in the catalogue. by Kocsis's compatriot Gábor Gábos, has no more than a fraction of the same high-voltage charge).

Kocsis's gifts, however, are still more amply illustrated, and in closer focus, by his Grieg record. The first (and on the keyboard also the last) attempt which Grieg made to wrestle with the demands of a classical sonata form is given a fine, fullblown performance — and that "open-air freshness" which commentators routinely discover in the piece is blended by Kocsis with a gentle, wicked perfume,

But he shows his real mastery spread over seven opus numbers, 10 books, and 34 years which contain, like the songs, the distilled essence of Grieg. From the smallest gesture Kocsis unwinds a wealth of Kocsis unwinds a wealth of colour and meaning: the wonderful rhythmic subtlety of the little Waltz from op 12, darkly shaded, deeply melancholy; the Alfedans of the same set, a tiny scena barely 30 seconds long and over almost before its effect is perceived, flashing past like a bird in flight. He fills out even the familiar salon lollipops with gentle salon lollipops with gentle radiance: "To the Spring," "Butterfly" and "Little Bird," deftly elegant miniatures, whose ripples spread far more widely than their size or form ever implies. And in all this there is not a trace of side or preten-sion: only the closest focus, and an unrelenting command of the microscopic fabric of the music.

Kocsis's record of Mozart's two A major concertos — K414 from 1782 and the "great" A major K488, both with the excellent Franz Liest Chamber excellent Franz Liszt Chamber Orchestra — has been one of my favourite discs for several months. His account of K488 in particular has a marvellous combination of muscle and subtle, translucent inflection: there is plenty of momentum to his adagio, and also the greatest freedom (as well as some very fancy, and in spirit

much more to the point.

## Romantics come out in force

Romantics were out in force

their estimates.
A puzzle verse of 1827 went church scene.

Another equestrian picture, by John Emms, was also four times forecast at £6,380, while another, of two hunters, made £4,950, also way up on target. In an islamic auction at Sotheby's a Russian needlework carpet did well at £4,400 as did

#### Ceremonies/The Place

#### Michael Coveney

stantial fare on offer than this define the exact significance of a curtain-raiser from Great Chute baby's charred corpse sticking Libre, a French outfit whose up under our noses. There is a imagistic. nebulous style of stunning entrance—of a girl in work might not survive even the tangerine—and an old-fashioned most generous of sympathetic whiff of the avant garde in the contemporary expectations. The scene is an hotel lobby,

ing cards were at least doubling and the randomly selected, their estimates. vaux meets Magritte, only 50 years too late) are supported by a musical soundtrack and performance ranging from blues to Schubert to Schoenberg, Which, you will agree, just about covers everything. At least the piano playing and fraternal Marxian oddness of Trevor Smith is a constant joy.

> No sign of this troupe's latching onto the sort of textual or political hardware that might festival of 1981 but they seem, since then, to have acquired to go with a receding intellec-tual content.

The Grand Hotel lobby set- resonant projects.

I sincerely hope that the July ting, for a start, is somewhat London International Festival of threadbare. And from early on Theatre (LIFT) has more sub- in the proceedings it is hard to up under our noses. There is a sight of a Man with a Flower in his Mouth and a pianist who lies flat out, and back to front,

ling); few pianists realise quite so well (and few conductors

either as well here as Janos Rolla) how much pure, unstop-

pable fun there can be in a "serious" Mozart finale.

across his well-tuned grand. But really, this is the sort of take-it-or-leave-it event that de-fies what in other circumstances might pass for sensible criticism and which, I am afraid, leaves me untouched by its doggedly camp obscurantism and tired Genetesque hints of sex changes in the lobby, unresolved chess manoeuvres and lazily efficient hat-box handling.

Dominique Leconte's direc-tion if of the standard to flatter

activate the obvious talents involved: they visited the LIFT are remarkable visual images of strewn flowers, of revolving doors in the predominantly grey rather grandiose design nations and out-of-season coastal resort.

But such talent and such vision must be applied to larger, more

## Grants rise below 2%

The Arts Council yesterday announced its 1985-86 grants for its four major clients—and they all receive an increase of just less than 2 per cent. The Royal Opera House, Covent Garden, gets £12,593,000; the National Theatre, £6,705,200 (more for touring); the English National Opera £6,034,500; and the Royal Shakespeare Company £4,977,000, again with some extra cash for tours.

The council as on incounced inadequacy: the council was restricted by the size of its subsidy from the Government, apart from earmarked money, was only 2 per cent higher than in the present year.

The council is making representations to the Government and is well aware that at least one of the four national companies, the ENO, may have to cut back on its activities.

The Arts Council yesterday inadequacy: the council was

Mr Luke Rittner, directorgeneral of the council, in arts associations would share of his way to confirm their the council also announced yesterday that the 12 regional arts associations would share between them £11,766,700, a 2 per cent rise.

# Arts Guide

Music/Monday. Opera and Ballet/Toesday. Theatre/Wednesday. Exhibitions/Thursday. A selective guide to all the Arts appears each Friday.

Feb 1-7

#### **Exhibitions**

ians Holbein the Younger (1497-1543): Thanks to the acquisi-tions by Louis XIV, the Louvre boasts one of the richest and rarest. collections of the court painter of Henry VIII. Five of his masterpieces, portraits of Erasmus and Anne of Cleves among others, re-trace his artistic development, accompanied by several drawings of companied by several trawing at equally prime importance. The exhibition is completed by paintings from the royal collections thought, mistakenly, to be by Holbein. Louvre, Pavillon de Flore, Porte Jaujard (260 3926). Closed Tue, Ends

Janjard (260 3926). Closed Tue, Ends April 15.

Degas: His portrait of Diego Martelli and his astonishing Bureau des Coions, with his Carnet 18 to be seen for the first and last time page by page, form the highlights of a vast exhibition of the master's sculptures, paintings, lithographs. Centre Culturel du Marais, 20-28 Rue des Francs-Bourgeois (272.73.52). Every day from 10am till 7pm. Ends March 3.

Magritie: Paintings, drawings,

Magritte: Paintings, drawings, gouaches and collages, including La Grande Famille, by the Belgian surrealist celebrate the fifth anniver-sary of the Centre Cultural Wallonie-Bruxelles, 127-129 Rue Saint-Mar-tin (2712616). Ends Feb 10.

WEST GERMANY

wee Forom des Landesmu-

gypsum, ceramic and china sculp-tures by artists ranging from Gott-tried Schadow to Georg Kolbe. Ends

Feb 17.

Feb 17.
Bressen, Knnsthalle, 207 Am Wall:
Watercolours from the 16th century
including Albrecht Dürer, Eugene
Delacroix and Emil Nolde. Ends Feb 24

Nuremberg, Germanisches National-museum: Masterpieces of the 20th Century, from the private collection of the German industrialist Thys-sen-Bornemisza. Manet, Gauguin, Bonnard, Mondrian, Picasso, Van Gogh, Schwitters, as well as Rus-sian constructivists: Ends March 24. Disseldorf, Stadtmuseum, Backerstr. 7-9: "A land at the Centre of Power." 900 paintings and documents cover-ing the cultural history of the "Her-zogtumer" (duchy) and its main cen-tres Juliah, Kleve and Berg. Ends

Feb 24. Düsselderi, Kunstpalast; Ehrenhof 4: The British sculptor Anthony Caro, 60, who once assisted Henry Moore, exhibits his scrap metal sculptures. The 40 works include all his attempts with scrap since 1969. Düsseldorf will be the only German

venue. Ends March 3.

The Royal Academy: Marc Chagall - a full retrospective (organisad by the academy in association with the Philadelphia Museum of Art, to which it travels later in the year) of the work of one of the most popular-masters of modernism, still at work in his 99th year and last survivor of the artists' Paris of its great period

before the first world war.

Chagall, for all his popularity, has remained a maverick artist, idiosyneratic and independent, and hard to categorise. We now see, however, that he has always been a good artist, and at times, most notably in that first time in Paris after 1910, a great one. The work of his extreme. that first time in Paris after 1910, a great one. The work of his extreme old age, moreover, does him more than credit, representing no falling off in its technical command or imaginative authority, but simply a restatement of the poetic images and ideas that have always haunted him and he has made his own - the soaring and floating lovers, the clowns and musicians, the flowers and trees, and that strange, colourful domestic bestiary of cocks and hens, goats, cows and asses.

Naples: Museo di Capedimente: Na-ples in the 17th Century: for lovers of Baroque. An exuberant exhib-tion of paintings, marbles, silver and furniture dating from a period when the city was the second in Enrope after Paris. Ends April 14. Venice: Museo Currer (Ala Napoleoni-ca): An unusual exhibition of unrea-lised projects for Venice, including Palladio and Le Corbusier, and

some less so but all of interest. Until End of Feb. Turin: at the Lingotto': German art between the 16th and the 20th centuries: paintings, engravings and sculpture, among them works by Durer and Holbein. Ends

Feb 10. Rome: Galleria Giulia, Via Giulia 148:

ist painter Otto Dix, covering the period 1914 to 1965. Not for weak sto-machs: Dix looks at Germany in the meens but young at the many in the post wer period with a jaundiced and unpitying eye, but whereas the irony in this first section of the exhibition is embertaining, the room devoted to his beautifully drawn series on the horrors and privations of trench warfare is less so. Ends Feb 20.

ren 20.

Herculaneum (Naples) Vilin Campolieto: An exhibition entitled Terrae Motus – of modern paintings which are the beginnings of a new contemporary arts centre here works by Warhol, Pistoletto, Benys, Mapplethorpe, Twombly and Haring. Until April.

Aprilipracuse (Stelly) Palazzo Bellomo: An important collection of paintings by Caravaggio: Focal point is the huge painting The Burial of Santa Lucia patron saint of Syracuse — painted in 1508, when Caravaggio returned to Sichiya sier 14 years in Rome. Until Eastern

#### NETHERLANDS

of the Golden Age. The Van Vianen family of Utrecht provided the coun-try's leading silversmiths for much of the 17th century. The 60 objects from London, Vienna, Leningrad, Berlin, Paris and Amsterdam inevitably focus on the work of Adam and Paulus Van Vianen, whose in-troduction of the arricular style and emphasis on the sculptural qualities of silver brought about a break with the past. Ornata, yet graceful cops and ewers contrast with superbly

chased tazzas and plaques depicting mythological and biblical scenes in low relief. The dazzling display is complemented by 17th-century paintings and drawings in which the Van Vianens' creations featured as sumptuous accessories. Ends Feb 10 (closed Mon).

CHICAGO Art Institute: 82 great architectural drawings cover the last five centu-ries in this show lent by the Royal Institute of British Architects. Ends Mar 31.

WASHINGTON

National Museum of American Art; 49
works by five 19th century black
artists highligh a show of a little
known area of American art. It reminds the world of Joshua Johnson,
the first recognised black American
portrait painter; Henry Ossawa Tanner, a student of Thomas Eakins
and necolassical syndroms. and neo-classical sculptress Edmo-nia Lewis. Ends April 7.

#### TOKYO

Utrecht, Central Museum. Rare silver Great Kabuki Actors in Ukiyo-E: This of the Golden Age. The Van Vianen exhibition marks the Kabuki convention of awarding exceptional ac-tors with names of of honour. Only 12 actors in the last 300 years have merited the title Danjuro. To celebrate the forthcoming accession of Ichikawa to the title Danjuro XII, these paintings of previous incum-bents show not only the significance of the title but the close ties between Kabuki and art even today. Riccar Art Minseum, Ginza, Ends Feb 24.

#### NEW APPOINTMENT AT UNITED GULF BANK



United Gulf Bank is pleased to announce the appointment of Mr.Roger A. Lawson as Senior Vice President and Treasurer.

Mr. Lawson joins from the London Branch of Continental Illinois National Bank and Trust Company of Chicago and will take up his new appointment in early February

CONTROLLE

gg 15-25<sup>5</sup>

## **FINANCIAL TIMES**

BRACKEN HOUSE, CANNON STREET, LONDON EC4P 4BY Telegrams: Finantimo, London PS4. Telex: 8954871 Telephone: 01-248 8000

Thursday February 7 1985

## Veiled threat to the Fed

dent Reagan's Council of Econoconcerned mainly with arcane technicalities; but as is clearer. letter signed by Mr Reagan himself, this could be the first long been an obsession of the supply-side lunatic fringe of the President's supporters, and Representative Jack Kemp, the current keeper of the supply- adding plausibility to the joke side Ark, is sponsoring a Bill definition of Mr Reagan's brand to that effect in Congress. Nobody worries much at present about Mr Kemp; but if the international financial community decides that the President is joining the campaign against the world's favourite worrying that moves markets could break out before long.

It may seem extraordinary that a body with the Fed's record—accommodating a rapid recovery with falling inflation, and managing a grave incipient banking crisis with the greatest skill-could come under fire: but the doctrinaire disputes among technical monetarists are marked everywhere by the kind of bitterness which inspired the burning of heretics in another

#### Influential

To a true believer, Mr Volcker stands convicted not only of controversial management in 1981-82, while the President and his advisers were dismayed to find that the first result of their veiled threat is disturbing. policies was an acute recession; he is also doctrinally impure. He is a pragmatist in technical matters, trimming his monetary management to what he sees as and learning from experience.

He is also a persistent and

more room for manoeuvre in the pilot.

AT FIRST sight, the criticisms early months of a policy year of the Federal Reserve Board has some appeal when seasonal in the annual report of Presi- adjustment is such a hit-or-miss affair, though the idea will look mic Advisers look friendly, and more natural to market than to economic analysts. No doubt we will all perhaps, from the covering have to learn the language as the proponents of parallel lines-the new idea-battle it have been revised downwards shot in a campaign to bring the out with the defenders of the or dropped, and tighter manage-Fed more directly under Fed's tradition cone-shaped tar-Administration control. This has gets, like the Big-Endians and ment disciplines and financial self-sufficiency have replaced growth at any price as the most Little-Endians in Swift.

WO-AND-A-HALF years ago, still flushed with the after-glow of electoral

victory, President Mitterrand's government set out an ambitious agenda for France's newly-nationalised electronics indus-

tries. Backed up by an expansionist "go-it-alone" policy, the industries were to create 200,000 new jobs and a FFr 30bn (£2.74bn) trade sur-

plus by 1990, transforming France into Europe's high-technology leader.

This euphoric vision has,

nationalised

however, rapidly foundered as

groups have plunged into loss, necessitating a succession of

state-backed rescue operations,

The previous industry targets

urgent priority.

Yet the cost of supporting the

on the French government. This week, it announced plans to inject a further FFr 2.75bn into three loss-making state-owned groups, Thomson, the defence and consumer electronics company computer maker Pull and

pany, computer maker Bull and CGCT, a former subsidiary of

ITT of the U.S., which was nationalised amid much acri-

mony in 1982. Last year, the three received grants of FFr

In spite of such largesse.

many French electronics and

telecommunications companies still face tough challenges. A

weak home market and mount-

with U.S. and Japanese com-panies, preferring a strategy of

A modest success has been scored on this front with the

recent agreement between France's Cit Alcatel, West Ger-

many's Siemens, Italy's Italtel and Britain's Plessey to

and Britain's Plessey to co-operate on research and

development in public telecom-munications. But the link-up

seems unlikely to produce any real commercial benefits be-

fore the 1990s at the earliest.

Packard and Xerox.

companies have also acquired equity interests in several

bitterly condemned the links

group with American Telephone

France's emphasis on Euro-pean co-operation has not

French

European collaboration.

major

several

Stripped of jargon, the new proposals would result in a nationalised electronics indus-more relaxed monetary policy. Tries continues to weigh heavily of monetarism: sound money and plenty of it.

#### Respected

However, the constitutional issue has serious internatonal implications. The Fed is not central banker, the kind of only respected for its domestic skills, but regarded as the internationally aware branch of the official U.S. economic estab-lishment. Mr Volcker's criticism's of U.S. fiscal policy largely echo those of finance ministers in other countries; but his monetary management has made their citizens willing to lend to the U.S.

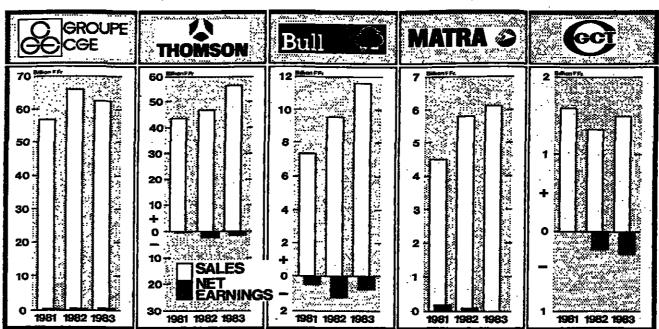
That confidence might quite quickly be undermined if the Fed, under Administration pressure, consented to a policy of sustaining the U.S. recovery by accelerated money growth while the politicians wrestle ineffectively with the deficit. Foreign central banks and finance ministers would also fear the loss of an understanding and influential body in Washington with which to discuss policy. Even the

The Fed's stoutest supporter would not, of course, pretend that its policies have been faultless. The Volcker revolutions. proved very disruptive at first, the needs of the real economy, and we have often argued that the Fed should give a greater weight in its policies to its role influential critic of Mr Reagan's as the manager of a world curfiscal policies, and especially of rency. However, all the recent the foreign deficit. He was saying signs are that the Fed is learnas much, yet again, in Congress ing from its experiences, easing on Tuesday just as the Eco- policy partly because the econnomic Report was being issued. omy has slowed and partly to The actual management check the dollar's strength, and changes proposed look technic- managing a difficult transition ally odd but not perhaps inde- fairly smoothly and subtly. This fensible; a range which allows is not the moment to drop the

#### FRANCE'S ELECTRONICS INDUSTRY

# The euphoria is over

By Guy de Jonquieres in London and Paul Betts in Paris



Equipping the French industry with the muscle needed to bargain with foreign rivals from position of strength was a prime goal of a government-backed reorganisation of the sector 18 months ago, which involved an extensive exchange of assets between CGE and

weak home market and mounting union opposition to job losses make it increasingly important to seek growth internationally. Yet official orthodoxy companies' profitability and help discourages industrial alliances with U.S. and Japanese comtonic nation in the world" after the U.S. and Japan. Much was also made of claims that the reorganisation would save jobs. The reorgaisation was, how-

> ever, strongly opposed by the Direction Genérale des Télé communications (DGT), the state telecommunications authority. It objected that the central element-the merger of Thomson's loss-making telecommuni-cations business with Cit Alcatel under the latter's management control-would eliminate competition between its two main

owned companies including slow so far to fulfil the objectives (CGE), which equipment suppliers. cité (CGE), which is Cit Alcatel Thomson group is still Alcatel's main shareholder, Bull a long way from integrating its and Thomson have all signed separate telecommunications technical co-operation agree-businesses—long bitter rivals—ments with American partners and has announced plans to shed

Moreover, the state has been obliged to step in to bail out LTT, an equipment-making subsmall U.S. electronics concerns. sidiary of Thomson Telecom-But the scope of such indusmunications, a provisional rial agreements remains holding company set up as part limited, often amounting to of the merger. So far, Frs 125m little more than basic technical in state capital has been incollaboration deals. The Mitter- jected to cover mounting losses rand Government, which has at LTT, and some reports suggest that the total cost of the forged recently by Italy's rescue could reach Frs 1bn over Olivetti and the Dutch Philips three years.

The capital was provided by and Telegraph, opposes grand the DGT, which was rejuctantly

tronics policy.
Originally intended to boost France's technological high-flyers, the filière electronique has been used increasingly to prop up lame ducks. Haif the Frs 3.4bn funds dispensed last year went to cover operating losses at nationalised companies including Bull, the main Thomson group and CGCT.

In the case of both LTT and CGCT, the DGT is cost in a part in a part in the case of the cost in a part in the case of the cost in a part in the case of the cost in a part in the case of the cost in a part in the case of the cost in a part in the case of the cost in a part in the case of the cost in the case of the cas

CGCT, the DGT is cast in a

industry leaders who blame his organisation for cutting back on orders. He says that manufacturers are at fault for failing to adapt to demand, which has shifted away from public net-work equipment in favour of terminals. "It's not my job to run the industry," he retorts.

Alcatel Thomson's hopes for future expansion are pinned heavily on the Far East—where it has won a FFr 500m order in

A policy originally intended to boost high-flyers has been used increasingly to prop up the lame ducks

particularly awkward role, since it is being obliged to shore up financially equipment suppliers from which it is also seeking to obtain the best value

Cit Alcatel itself continues to of its impressive growth in the of its impressive growth in the past decade was provided by communications expert with massive state investments to Dataquest, a U.S. market modernise France's public telephone network, which have now pany, says Cit Alcatel will need probe network, which have now pany, says and related with the peaked out. Though exports to step up substantially its account for about one-third of American marketing effort. its turnover, it won no new All this still leaves the DCT its turnover, it won no new foreign orders last year.

tions division. Some government company of not investing enough to maintain the techno-logical superiority which its plans to collaborate with West

has won orders worth about \$10m. But the speed at which the China market will grow is still uncertain, while in the U.S., competition from AT&T, Canada's Northern Telecom and report profits and still claims European manufacturers such the world record for digital public exchange orders. But much of its impressive growth in the Mr James Carreker, a tele-

reign orders last year. looking for the second equip-"We have had great difficulty ment supplies it wants to comcompensating for the reduction pete with Alcatel Thomson. in our home market through M Dondoux, who calls himself international sales," says M "an apostle of Europe," wants

in our home market through M Dondoux, who calls himself international sales," says M "an apostle of Europe," wants Christian Fayard, head of Cit to open the French market to Alcatel's public telecommunication other European manufacturers through bilateral agreements on officials privately accuse the reciprocal equipment purchases. But so far, little headway has

strategic alliances with U.S. obliged last year to take over partners unless French companies are assured of holding the whip hand.

Sequence with U.S. obliged last year to take over partners unless French companies are assured of holding the financing of the filiers electronique, the national electronique, the national electronique of the DGT, has little patience with Hopes of a deal with the UR have been desired by Register and the Port leaders who blame his have been desired by Register leaders who blame his have been desired by Register leaders who blame his have been desired by Register leaders who blame his have been desired by Register leaders who blame his have been desired by Register leaders who have been desired by Regi network have been deferred, mainly for technical reasons. Hopes of a deal with the UK have been dashed by British Telecom's recent exclusion of

Cit Alcatel from its shortlist of

international bidders for exchange orders. The rejection has caused deep resentment M Dondoux says he is ready to buy exchanges from Italy's Italtel, which has agreed to standardise sub-assemblies with Thomson Alcatel. But this seems unlikely to provide a complete solution. M Fayard of Cit Alcatel says progress with

Italtel will be made "in small The remaining option would be a deal to enable CGCT to make foreign exchanges under licence. CGCT, which currently makes Thomson MT digital exchanges and has 16 per cent of the French market, was deliberately left out of the Aleatel Thomson merger with

Alcatel Thomson merger with such an arrangement in view. CGCT badly needs a partner. China-and the U.S., where it It has lost money almost every year since 1976 and is still beset with financial problems. These have been compounded by FFr 600m losses on a Kuwait cablelaying contract won by a subsidiary. To staunch the red ink, CGCT plans to lay off 1,200 of its 8,300 staff and sell its Paris headquarters.

> ronically, he is closely watching ITT, CGCT's former parent, which plans to sell shares in some of its international communications businesses. If ITT went as far as to dispose of some may well be reluctant to take pletely, CGCT might seek to ally itself with other former ITT subsidiaries.

sizeable privately-owned French apparatus supplier, which seen.

already has a technical agreement with Wang and is seeking to expand in the U.S.

The leader in the French private exchange (PABX) market until the Alcatel Thomson merger, Jeaumont-Schneider claims that its nationalised rivals enjoy unfair advantages. "I doubt if they could sell at their current prices without state support." says M Paul Denis, head of its telecommunications head of its telecommunications business.

In theory, subsidies to cover losses by nationalised elec-tronics companies should cease after the end of this year. By then, the Government says it expects them to operate in the black. Some are making faster progress than others.

Matra, the space and defence contractor 51 per cent owned by

the state, has stayed profitable. But its performance has deteriorated partly because of large losses in the personal com-puter market, which it recently re-entered after beating a dis-orderly retreat.

Thomson expects to be back in profit next year, largely on the strength of its large defence electronics business, which has won a huge order from Saudi Arabia. However, consumer electronics, its other main activity, still suffers from excess capacity, weak demand and flerce competition from the Far East Thomson is also investing heavily in microchip production.

Computer group Bull is expected to report a loss of less than Frs 450m for last year, down from Frs 625m in 1983 and Frs 1.35bn in 1982. How-ever, according to government sources, it is seeking to shed as many as 1,500 staff at its subsidiaries, on top of 700 job cuts already announced.

A new management has shaken up Bull's operations and applied tougher commercial disciplines. But like Britain's ICL, it remains acutely worried by competition from IBM of the U.S., which is making huge strides into the French market.

Bull tried unsuccessfully last year to persuade French officials to oppose IBM's participation in Esprit, the EECelectronics research programme. But the Govern-ment refused because it feared incurring the displeasure of IBM, which is one of France's largest taxpayers How firmly the Government

nationalised companies may depend as much on political meadquarters.

M Claude Vincent, head of policy, however. Trades unions, as deal which provided access to international markets. Tronically, he is closely watching ITT, CGCT's former parent.

of its European businesses com. any measures which would further jeopardise employment in what are supposed to be France's main growth industries The state's heavy involvement of the future. Whether it will in the telecommunications also be prepared to adopt a industry is causing concern at more indulgent stance towards Jeaumont-Schneider, the only industrial alliances with transatlantic partners remains to be

# **Double standards** on utility prices

debate on water rates today is still wants to regulate some likely to focus on such emotive public utilities simply by setting likely to focus on such emotive questions as whether the Treasury has any right to impose a "tax" on water. It is unlikely, unfortunately, to shed much light on an underlying and fascinating question: why does the Treasury, which houses a group of administrators and economists of above-average ability, make such a hash, yearin year-out, of supervising nationalised industries? As a supplementary question, why do Treasury ministers so often take irrational steps to hold down public spending? NO 21-8/81

It is possible some of the furore over water charges was accidental, reflecting the fact that the Treasury initially met less opposition than it expected from the water authorities. The Treasury's demand that water rates rise by 10 to 13 per cent, nearly three times the rate of inflation, may have been only a tough initial negotiating stance. It might have been prepared to compromise on a 6 to 7 per cent increase and a less onerous external financing limit for 1985-86. Yet the Treasury's dominance is such that, but for the revolt by Mr Roy Watts, chairman of Thames Water, the negotiating stance would have been passively accepted: nine water authorities capitulated without a struggle.

#### Higher charges

Even a 6 to 7 per cent rise in water charges would not have pleased Mr Watts who believes an increase of only 3 per cent required. Who is to say the Treasury is right and, even if it is correct, who is to say its view must prevail? The Government of its ment has made much of its policy of hiring competent managers to run nationalised industries like businesses. How can a manager be expected to succeed if every time there is a squeeze on public expenditure. civil servants wade in demanding higher rates of return and higher charges?

rate of return targets shows gross inconsistency. When the flotation of British Telecom was to under discussion, outside experts succeeded in convincing Government that the best way to make monopolies efficient is to limit the rate at which they can increase their charges. The Government is in danger of arguing that BT will become more efficient because its tariff increases will be held below the rise in the cost of living whereas
Thames Water will become
more efficient because its
charges will rise twice as fast as inflation.

> The Treasury is also imposing double standards wen it insists that current cost accounting (CCA) rules be used in the calculation of rates of return. The Chancellor, who preaches fiscal neutrality, is here adopting an accounting standards only when it suits him: CCA is rejected for the purposes of corporation tax because it might reduce the yield but adopted in this instance because the Treasury stands to raise more cash. In any case, it is strange that the Government should supulate CCA rates of return when it is

The debate over accounting principles is in any case a red herring. The point is not whether the Treasury asks Thames Water to make a 1 per cent return on current-cost assets or a 15 per cent return on historiclost assets but who gets the cash from higher water charges. If the Treasury simply wanted Thames to make a higher return it could tell Mr Watts to spend the extra cash in any way he chooses. But in in any way he chooses. But in fact the cash will go to the Exhequer and so it is un-deniable that Mr Watts is being used as an unofficial tax col-lector. If the Government has

#### Red herring

now unsure whether the con-vention is useful.

The debate over accounting

be open about what it is doing,

#### President's pay check

Remember the shining example of thrift that was to be set by President Ronald Reagan? He was reported in December to have volunteered, with his Cabinet, for a 10 per cent pay cut as part of his crackdow on Government spending.

But this noble sacrifice is no where to be found in this week's U.S. Budget, though it still calls for a 5 per cent pay cut for one million less exalted government employees.

The White House now insists that though Reagan's offer was widely reported, he never actually made it. What is more, it says the U.S. constitution forbids any change upwards or downwards in Reagan's \$200,000-a-year salary during his term of office. his term of office.

The founding fathers' idea. apparently, was to stop Congress threatening to cut a President's salary if he did not do what it wanted, or trying to bribe him with an increase. Could not he then just\_accept his salary and send the Govern-

ment a cheque for the 10 per



"Amazing operation-not a single casualty—not a memo

## **Men and Matters**

goes through for other Federal employees. Reagan will send the same percentage of his own pay to the Treasury's Fund to Retire the National Debt. Other Cabinet members will simply take the pay cut.

Members of Congress will have to make up their own minds on how to allocate the 10 per cent cut in their resources that the Budget proposes. But, unlike Reagan, they have already had a pay increase this year—up by 3 per cent to \$75,100 a year.

#### Paper chase

Former Mirror group and Abbey National supremo, Clive Thorn-ton, has succeeded in raising 570,000 to put together a proto-type for a new Sunday news-paper. Some £40,000 has come from the Greater London Enterprise Board; £7,000 from the Transport and General Workers Union Thornton, his partners and other unions have contributed the rest.

If the dummy run is succes ful this autumn. Thornton hopes to launch the real thing some-time next year—at an estimated cost of £4m.

The idea is that the paper should have a left-wing bias—"purely because, as a businessman, that's where I think there 15 a gap in the market," he Torget would be an initial readership of 300,000; and there is talk of raising part of the necessary finance by offering potential readers shares in the

There is also firm determination that the paper should bankers about the new financial never be ruled by one indi- orthodoxy adopted by the South

cent? Well, yes, that is exactly vidual, "however commendable what he is planning to do. The he may be." Thornton, ousted White House says that if a cut from the Mirror when it was bought by Robert Maxwell's Pergamon Press last year, says it is "very difficult for someone who owns a newspaper to resist the temptation to turn it into his own mouthpiece."

#### On his toes

Betty Grable insured her legs for millions of dollars—Tory Employment Minister, Peter Bottomley, is more modestly insuring his toes for £5.000. Not that Parliament's 40-year-old former swimming champion needs to tread with more than a politician's usual care these days. He sits on a 7,500 majority at Eltham; he has left the side of Social Services Secretary, Norman Fowler, the next likely target for demos; and though the employment patch is still rough, there is less bovver there than there used to be. But, with responsibility for

health and safety at work, Bottomley recently acquired a pair of shoes with reinforced toe-caps. With them came the caps. With them came the insurance, guaranteeing him £20 a week if his toes should be damaged while wearing them.
"Up to now," he says, "I've found them very useful protection in the Commons' division lobby. With our majority, you're likely to be trampled underfoot at every vote."

#### Swett band

Francisco Swett, Ecuador' minister of finance—and, at the minister of finance—and, at the age of 37, youngest member of the Cabinet—is visiting London, Frankfurt and Paris to talk to American country since the election last year of conservative President Leon Febres Cordero.

Swett, who got his first Cabinet post as planning chief seven years ago, is sometimes called a South American Thatcherite. Was he happy about that? I asked. "Mrs Thatcher has many virtues but I disagree with some of her policies," he replied guardedly. Was he a Reaganite then?—
"The answer's the same."

He is in favour of lower taxes. "It's not realistic to start taxing people at 40 per cent on an income of £9,000. We must raise the ceiling," he said. But as the son of one of the founders of Ecuador's central bank, he clearly did not want

it thought he was in the business of giving money away. "We're raising the tax ceilings. But we're also improv-ing our methods of collecting taxes. In the last quarter of last year, tax receipts rose 35 per cent," he said. And he gave a little chuckle of satisfaction as finance ministers do when they have cheery thoughts like that.

#### Over the limit Jaguar Cars, now getting used

to "the magic roundabout that keeps turning for us," according to a senior executive, had easily the fastest moving pro-duct when it returned to the Amsterdam motor show as an independent company for the first time in 20 years. They are still looking for the XJS demonstration model with the new six-cylinder engine—stolen on the eve of press day.

#### Passing thought From New York comes the

story of the middle-aged man who went on holiday and sent a postcard to his psychiatrist. "Having a wonderful time," he wrote. "Why?"

Observer

## Lloyds Bank Access Alteration to interest rate



Lloyds Bank announces that the monthly rate of interest charged to its Access cardholders will be increased from 1.75% to 2% per month (equivalent to an Annual Percentage Rate of 26.8%) with effect from 20th February 1985.

From that date, the new rate will be applied to all interest bearing balances, cash advances and all purchases attracting interest for the first time.

The first sentence of Condition 5 of Lloyds Bank Access Conditions of Use is amended accordingly.

The percentage rates quoted in Condition 6 of Lloyds Bank Access Company Cards Conditions of Use will be similarly amended from the same date.



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#### THE DOLLAR AND FOREIGN INVESTORS

# One day the bubble will burst

By Anatole Kaletsky

tory"-to be intoned with a hint of menace—is becoming a favourite cliche in central banks and foreign exchange dealings rooms as the dollar only rough approximations. It hits new records almost hourly. But when central bankers speak about uncharted territory and sound "alarm bells," as Mr Paul Voicker, chairman of the Federal Reserve Board did on Tuesday, they are not referring simply to the latest breach of a 10-year peak on the foreign exchange dealers' price charts. For the world economy is just passing another, less conspicuous, but more important, milestone: 1985 is the year when the United States, the richest and most powerful nation on earth, becomes a debtor to its poorer neigh-

reday Fubrush

to become the world's biggest debtor is now a matter of simple arithmetic. When a country runs a deficit in its trade with the rest of the world, the shortfall has to be financed by foreign borrowing. In 1984 the U.S. had a current account deficit of about \$100bn. Since America's foreign assets exceeded its liabilities by an estimated \$106bn at the end of liabilities should have fallen to year. With the current account deficit this year running at more than \$10bn monthly, America would therefore have become a net debtor sometime in January if the official figures were precisely accurate.

With a current account deficit of \$130bn now virtually set in concrete for 1985—even a collapse in the dollar tomorrow could hardly be expected to benefit America's trade performance for a year or morethe U.S. debt is bound to exceed Brazil's \$100bn by the end of this year. If the dollar remains near its present level, this debt will rise to over \$250bn in 1986 and multiply tenfold to nearly \$1,000bn by the end of the decade. Even this last figure, drawn from a study by Mr Shafiqul Islam of the Federal Reserve Bank of New York, could now be described as conservative — Mr Islam based his projection on

THE PHRASE "uncharted territhem, the U.S. currency's tradeweighted index has jumped a further 15 per cent. In practice, official figures on

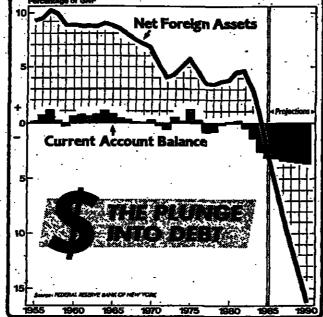
national capital movements are cannot be disputed, however, that a very rapid deterioration, far outweighing any statistical inaccuracies, has already occurred—and will continue to gather pace as long as the dollar stays at around its present level. By the end of next year, the U.S. net debt of over \$250bn will amount to more than the borrowings of Brazil, Mexico. Argentina and Venezuela com-

Why then are foreign investors not dreading a Latin American style debt crisis? As Mr Islam points out, there are two reasons for disregarding this danger.
The first is simply that the

scale of America's approaching indebtedness has to be viewed against the size of the U.S. economy. A debt of \$250bn in 1986 would still be equivalent to only 7 per cent of the U.S. gross national product. By contrast, Brazil's debt was 30 per cent of GNP when the debt crisis struck in 1982. It would take until the end of the cen-tury for the ratio of debt to GNP to approach Latin American levels, even projecting forward the ever-growing current account deficits of \$200bn and more shown in the New York Fed's chart.

The second reason why America's creditors sleep America's creditors easily is more ambivalent. The U.S. would never default on never need to do so. Since America borrows almost exclusively in dollars, the U.S. Government enjoys a privilege debtors—it can create the money in which its own obligations are contracted. This guarantee through the printing press implicitly covers the U.S. banks, as well as the Govern-ment, since the banks are ssumed to enjoy the support of the Federal Reserve System.

However, America's ability to finance its deficits in dollars is a very mixed blessing for



exchange

foreigners are taking.

Debt feeds on itself. Interest

payments to foreigners have to

be financed, either through fur-ther borrowing or by generating

trade surpluses. But the U.S. has

not enjoyed a single year of trade surplus since 1975, tradi-

tionally relying on interest payments from foreigners to

bridge the gap between its imports and exports. America's

long-standing surplus on "in-visible" transactions, which was \$32bn in 1981, will have

grow automatically, even if America's invisible trade moves

back into balance, from the trade deficit of nearly \$150bn expected for 1986. If the build-

up of debt is ever to be re-versed, or even stopped, the U.S. will need to start produc-

ing large visible trade sur-

pluses —and the longer these surpluses take to arrive, the bigger they will need to be, if

additional borrowing is to be avoided. If, for example, the U.S. economy remains on its present course until 1990 and

vanished altogether by 1986.

which

Quarterly Review, the exchange risk can never actually be eliminated when a country borrows from foreigners. What makes the U.S. debt build-up unique is that, for the first time in history, a country with large and persistent deficits has managed to avoid bearing any of the exchange risk itself.

When foreign investors lost confidence in Mexico, it was the Mexican debtors who suffered from the collapse of the peso: Mexico's foreign creditors still had to be repaid precisely the number of dollars they originally lent the country. But if Japanese investors, for example, decided to pull their money out of America, precipitating a collapse in the dollar, the losses, in terms of yen, would be sustained by the Japanese creditors, not the U.S.

As Mr Kubarych says: "The willingness of foreign investors to keep taking additional ex-change risk" is now the "key foreign creditors. As Mr Roger to the future" of U.S. economic Knbarych, another New York policy—and this future lies in Fed official, pointed out last "uncharted territory," for as the dollar fixed at its level in the Fed official, pointed out last "uncharted territory," for as the scond quarter of 1984. Since summer in the FRBNY U.S. debt increases, so does the

visible trade surplus equivalent to about 2.5 per cent of GNP will be needed each year from 1990 onwards merely to obviate further borrowing. To achieve such a trade sur-

plus would require a monumen-tal shake-up in the U.S.

Today's trade deficit is equiva-lent to over 4 per cent of GNP. Converting this into a surplus of 2.5 per cent of GNP in the 1990s, would require a bigger reallocation of resources than the British economy would have to undergo if it lost the whole of its North Sea oil and gas out-

There is only one way such an adjustment could ultimately be achieved—by a massive devalu-ation of the dollar in the 1990s. And there is only one way it could be avoided—by a smaller fall in the dollar in the near future, which would prevent the foreign debt from rising to unmanageable proportions.

It seems, then, that investors in America are on a hiding to nothing — yet the flood of foreign money continues un-abated, bidding the dollar everhigher. The markets may be short-sighted, but this cannot be the whole story, or even half of

Nobody can explain fully the dollar's defiance of economic gravity, but the figures on America's foreign assets and liabilities contribute a vital element to any explanation; for It turns out on closer inspection that foreigners are becoming warier of U.S. investment as the dollar rises even higher and that the "flood" of foreign money into America is not quite the deluge which is often

Recorded foreign inflows into U.S. assets have slowed from \$113bn in 1982 to \$93bn in 1983 and \$83bn, at an annual rate, in the first nine months of 1984. Yet this slowdown in foreign investment financed a current account deficit which soared from \$10bn in 1982 to \$100bn in 1984. The key to this paradox lies in the capital outflow side of the U.S. balance sheet. U.S. investment and lending abroa collapsed from \$121bn in 1982 to \$5bn in the first nine months

In other words, the huge

generates a debt of \$1,000bn, a deterioration in the U.S. current financed not by an ever-growing surge of foreign money into U.S. markets, but by a complete-and unprecedented—standstill in U.S. investment abroad, particularly in lending by U.S.

> The halt in bank lending, in turn, can be explained by two factors. Developing countries have been prevented from borrowing because they are no longer credit-worthy. Meanwhile, lending to companies and governments in the industrialised world, which tends to be driven by the borrowers' demand for funds, has plunged because the horrowers simply because the borrowers simply do not want to borrow money, least of all expensive dollars. In view of the tight fiscal policles which have generated excess domestic savings in most of Europe and Japan, this is hardly surprising.

From this point of view, there is no mystery about America's ability to attract net capital inflows, despite the apparently overvalued dollar. Foreigners have been keeping up a steady long-term diversification into U.S. assets at a rate of \$800n-\$100bn a year, with little regard for the short-term ex-change risks. Meanwhile, U.S. investors and banks have stopped diversifying abroad mainly because there has been no demand for their money.

In theory, this pattern of

financing could continue for years—as long, in fact, as the U.S. banks were prepared to run down their foreign loan porifolios at an ever-accelerat-ing rate. But bank manage-ments are motivated by the demand for funds from credit-worthy borrowers, not by any patriotic zeal for financing cur-rent account deficits. If Europe and the developing countries were to pull decisively out of recession and start bidding for the world's surplus savings, there is no reason to suppose that the U.S. banks would wish to continue pulling in their

banks start looking outwards again, it is easy to imagine the contours of the uncharted territory which they will see—the profit policyholders. In practice, dollar will be tottering on the of course, like other mutual life pinnacle of a debt mountain, offices and building societies, it important strat with nowhere to go but down is controlled by a self-the directors.

And once U.S. investors and

## Lombard

## Sassenach swipe at Standard Life

By Barry Riley

I WRITE in a personal capacity as an insignificant, but concerned, policyholder with the Standard Life Assurance Company of Edinburgh, the flag Mr George Gwilt, the general bearer of the Scottish life manager, was elected as a industry. Some 12 years ago, I chose Standard Life because of its excellent long-term investment

performance. Last week's latest bonus declaration showed that it continues to top most of the performance tables, so on that score I have no complaints. But last week, too, it was announced that Standard Life announced that Standard Life had bought from Barclays a stake of some 34 per cent in Bank of Scotland, the second largest Scottish clearing bank. I have failed to track down

any statement on paper giving the reasons why Standard has made this £155m investment. Various verbal justifications have emanated from Edinburgh, One is that Standard Life has

been engaged in intensive strategic analysis of the future of the financial services in-dustry. It has concluded that a link with a clearing bank would carry benefits.

Another quite different ex-planation is that the tightlyknit Scottish financial com-munity has banded together to save Bank of Scotland from sale to another nasty foreigner. Certainly, some leading Scots financiers were enthusing last week about the benefits that would accrue to the Scottish financial sector. On this view, Standard Life was the only in-stitution that had both the money and the loyalty to do its duty for Scotland

I do not know, or particu-larly care, which of these explanations is nearer the truth. From the point of view of the assenach policyhoider, they are both worthless, Nor am I impressed by the third justification—that the stake was simply bought "primarily as an invest-ment." Buying large blocks of shares at well over the market price was surely not the way that Standard Life got to the top of the performance league The central point at issue is the fact that Standard Life is a mutual company. In law, and in theory, it is owned by its with

Traditionally, Standard Life's board has remained aloof from its management, but last March number of prominent outsiders drawn from the ranks of Scot-land's financial elite. These in-clude Sir Thomas Risk, actually a former chairman of Standard Life, who happens to be the for chairman) of Bank of

perpetuating board of directors

As a policyholder, I would like to be wholly satisfied that the directors of Standard Life are concerned only with looking after my interests and those of many hundreds of thousands like me. I am now aware, how-ever, that conflicts of interest exist within the board.

The Scottish factor may be unusual, but the potential conflict between policyholders and management has a far wider application across the life insurance and building society sectors. sectors.
At a time of revolutionary

changes within the financial services sector, managements are naturally exploring radical changes in relationships with other types of institution. But expenditure which may make a lot of commercial sense to the management may not always provide clear benefit to existing policyholders.
With proprietorial companies

owned by shareholders rather than investing members—such conflicts need not arise. The shareholders can take on the risks, and rewards, of financing structural changes.

My view is that when mutual

companies such as Standard Life feel the need to make major trade investments, they should first consider demutualicompany by the policyholders to a new class of shareholders. In that way, with-profit policy-holders can make a capital gain which compensates them for any share in future profits required to compensate share-holders, and which frees the management to adopt a with the new proprietors.

And, in any event, may I suggest that policyholders are entitled to a clear, reasoned and important strategic decisions by

#### An instrument of policy

From Mesers D. Morris

Michael Prowse (January 28) makes several interesting points about the extension of VAT. He is, however, wrong to suggest that "fiscal neutrality" (by which he means the same rate of tax for all goods) is correct as a matter of econo mics. It is a basic result in the economics of taxation that undesirable distortions are mini-mised when goods are taxed according to their price and income elasticities, rather than uniformly. Non-uniform taxes provide a way of dealing with "externalities"—the Government, through its tax policies, that are can promote activities that are regarded by the community as having wider benefits, and can discourage undesirable activities. If "fiscal neutrality" were ties. If "fiscal neutrality" were adopted, this instrument of policy would be lost, and greater dependence would fall on other policy instruments, such as government expenditure. (Presumably no-one would advocate "government expenditure neutrality")

interestrate

nis arabi

expenditure neutrality").
For example, Mr Prowse mentions books. Evidence before the House of Commons Treasury affairs select committee shows that on the basis of straightforward criteria, at least straightforward criteria, at least two-thirds of expenditure on books is on books of substantial educational value. The zero-rating of books is thus an inexpensive way of promoting education by encouraging individuals to choose to read. It is the natural and sensible complement to the extensive public plement to the extensive public provision of education in schools and colleges.

Considerations of administra-

tive convenience imply that a simple tax system is desirable. Two-tier systems meet this test. Government should not forgo an important instrument of policy by taxing all goods

Oriel College Nuffield College, Oxford. Redirecting the

Treasury

From Mr S. Pugh. Sir,—Mr Bullock (January 25) states that the Treasury has long had a source of microeconomie advice provided by the Department of Trade and Industry and its predecessors. He does not point out that over one quarter of the economists that savings for pensions employed by the Treasury are require a considerable amount work and it would seem clearly rather than from one of many who may wish to proffer their whatever

#### Letters to the Editor

attention to the Department of Trade and Industry advice?very probably that advice receives all the attention that

pensions From Dr D. Lomax.

point. You then go on to say, rightly, that the taxation of most other forms of savings is highly unsatisfactory, being double

ordinary comment that since the Chancellor is not willing to change the taxation on other savings to match that of pension funds, the right thing is there-fore to impose double taxation on pensions.

without at the same time making the cost of providing a pension correspondingly greater. And likewise, putting the schemes into the fiscal melting pot creates a great deal of uncertainty. There is no such thing as a free lunch in this

The plain fact is that every

penny of taxation on pensions ponding cost on some pensioner or future pensioner. Because of the amounts of money which need to be saved over a long period to provide a pension, it is thus necessary for this saving to be possible in a tax-efficient manner, unless the potential costs of pensions are to be crippling. As you rightly point out the present system of taxation on pensions is "ideal". In that case, I am surprised that you did not forthrightly recommend the Chancellor to leave well alone.

Dr D. F. Lomax, 4. Claremont Road Claygate, Esher, Surrey.

The case for Stansted From Mr F. Gillett Sir,-In spite of the resistance

shown in the debate in the Commons last week, I don't believe the Stansted issue is dead. I still believe common sense and logic will prevail, and on behalf of the silent majority that live in the area (the Mori poll just published supports this statement) I should like to highlight a few positive points in support of the recommendation of the inspector who produced the Stansted

report.
London, like Paris and New York, needs three airports. If, as is widely forecast, over 60m passengers per annum will be using London airports by 1990, it makes sense to spread this load as evenly as possible in order to reduce congestion and take maximum advantage of the

research overwhelmingly supports the view that the vast majority of airline customers want it that way. Even when the regional airports are all rather use an airport nearer fully developed this will leave a large shortfall in capacity by

the end of the century.

What about the advantages for milions of people for whom Stansted will offer significantly more convenience than either

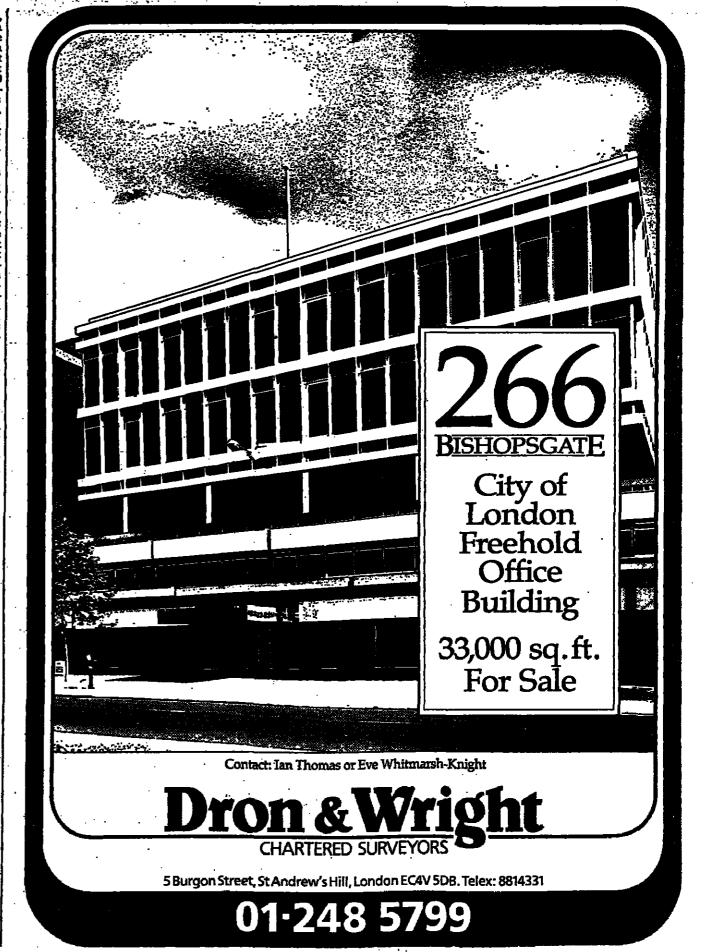
Heathrow or Gatwick? While it is accepted that unemployment

ployed. Major towns and cities such as Chelmsford, Harlow.

compared with the ugy sprawl of Heathrow, there is every chance that we have learned a little about airport development and will get it right this time. After all, Gatwick (now handling almost 14m passengers a year) was developed in an area that was possibly not too dissimilar from Stansted as it is today and

journey

home. Only when airport policy is designed for the whole country and not just the south-east will you know just how much



S. C. Pugh, 57 Frankfurt Road, S.E.24.

Taxation of

Sir,—Your second leader on February 5 entitled "The taxation of pensions" produces an extraordinary analysis and recommendation for policy. You start by saying, rightly, "As the Meade Committee noted in 1978, the taxation of pension funds is theoretically almost ideal." You are one of the first commentators to make this

taxation.
You then make the extra-

on pensions.

There is a wide range of issues against which the taxation of pensions may be criticised. For example, it would be a tax on jobs. After placing such emphasis on the need to reduce the real cost of employ-ment, and taking great pride in the abolition of the national insurance surcharge, it is absurd and self-contradictory for the Government to consider making the provision of pen-sions more expensive. It would increase employment costs and

hence reduce jobs.

The taxation of pension funds, whose money is invested normally in gilt-edged stock or long-term investments, and whose investments thus reduce the money supply, has very little favourable impact on the economy from the point of view of a monetarist Likewise, the taxation of pensions, thus of savings, does not help economic management from the point of

view of a Keynesian either. The key issue is, however, of money to be saved over a long period of time. People who more appropriate for it to take are in the process of saving for advice from these economists pensions through schemes set rather than from one of many up under existing legislation interest group departments are clearly at the mercy of who may wish to proffer their whatever the legislation opinions. As for Mr Bullock's might be. It is not possible to

measured in percentage terms, in the North and Midlands than in the South, it must also be recognised that there is a serious problem in this respect in the South East and East Anglia, where over 800,000 are currently unem

Braintree, Bishop's Stortford and Cambridge are suffering and badly need an injection for the future which only a major project such as Stansted could provide. The knock-on effects would also significantly improve employment prospects further

Stansted as it is today, and that sort of development was acceptable in terms of minimis-

ing disruption

By the time Stansted has been developed, international noise regulations will be very effective. As one who resides virtually at one end of the Stansted runway, I can assure you that even now the noise levels are insignificant and certainly do not cause us any

It is my belief that the major objections on environmental grounds are being voiced by a few wealthy landowners who are more concerned that market forces will lead to an increase in wages for their employees — perhaps even to a level that will

allow a reasonable standard of living for these people.

I believe the judgment of the inspector to be correct. Any further delays, or inquiries (and be sure there would be much be sure there would be much inspector or or the sure delays. greater opposition and debate about proposals to develop other areas), would put the air transport industry in this country at grave risk. F. A. Gillett.

Woodgate Farm, Broxted, Great Dunmow, Essex. An unwelcome

From Councillor F. Toye. Sir,—For too long articles have propagated the slogan that northern airports should not be boosted artificially by forcing in travellers who do not want to use them. On the contrary present policy forces an unwelcome journey south on millions of passengers who would

boosted by travilers who use it unwillingly,

# FINANCIALTIMES

Thursday February 7 1985



## Wrangles threaten **EEC** milk and wine reforms

THE TWO principal elements of the EEC's much-hailed reform of the Common Agricultural Policy (CAP) are threatening to unravel in comit-

The wrangles centre on efforts to drain the Community's 3bn litre wine lake and to introduce smoothly the special "superlevy" on excess

Of the two, wine is the most serious problem because Spain has de-manded a clear explanation of how the new system will be applied before giving its endorsement in the sion talks now nearing com-

When the reform programme was agreed after extensive talks at the heads of government summit in Dublin in December it was thought that technical details would quickly

Almost 10 weeks later, however, France appears dissatisfied by Commission assurances that the rules can be made to stick in Italy, its main competitor. It is insisting that the final regulation includes rigorous legal and financial sanc-tions if the rules are not fully appli-

France has insisted on raising the issue again next week.

Many fear that if the problem is not resolved then farm ministers will be unable to finalise the rules before the end of February, hence jeopardising the final round of acssion talks with Spain.

On milk, new arguments have broken out over measures proposed by Mr Frans Andriessen, the new Farm Commissioner, aimed at softening the impact of the punitive su-

Furthermore, the special committee examining the plans has not yet reached the most controversial proposal which effectively suspends full introduction of the rules for the

The rows centre on complex technical points sought by member-states to ease local problems. Several countries are already arguing that special exemptions allowed to one must be granted to all.

The disputes constitute a baptism of fire for Mr Andriessen, who faces a major struggle to prevent the nermanent introduction of national quotas for milk output.

Such a system would fundamen tally undermine the original plan which intended to gradually reduce the 14.5 per cent surplus, now costing European Currency Units (Ecn) 5bn (\$3.45bn) yearly.

The immediate concern is that continued disagreements will be-come enmeshed with ministerial negotiations over the Commission's austere farm prices package, due in

#### Creditors ease Dome debt conditions

gas liquids and Arctic contract drilling.

Dome will publish its 1984 results at the end of March. Mr Macdonald said that the core businesses were operating "relatively well." The company is selling its entire oil output, although each \$1 drop in oil prices costs it C\$18m a year. Gas operations are running at 60 per

Mr Macdonald said that the bulk economies have been hotly debated, of the asset disposal target agreed with some economists arguing that with lenders would be met by they do not necessarily improve Dome's stated commitment to sell part of its 40 per cent holding in Dome Mines, as well as the sale of tered takeover market is part and shares in the U.S. oil group, Texaco, parcel of the competitive environ-which Dome acquired as payment ment on which the success of the for oil and gas properties in the U.S.

# Opel/Vauxhall gears up for Bonn exhaust rules

BY JOHN GRIFFITHS IN AMSTERDAM

OPEL/VAUXHALL, General Motors' European division, has started a re-engineering programme which will allow its models to be offered with exhaust catalysers by the end

dett/Astra range launched at the end of 1984 and will be very expen-sive, Mr John Bagshaw, sales and

Additional press tooling and an extra stamping operation is required to modify the floor pans of

Mr Bagshaw was highly critical of the uncertainties being created throughout the European industry by West Germany's decision to "go it alone" in requiring catalysers on cars and Bonn's inability to compromise with its EEC partners on the

Hungary has aumounced the first ares in Eastern Europe to reduce the lead content of netrol and the sulphur content of diesel and heating oil. Page 2

great that the expectations that have been aired by some motor in-dustry economists that 1985 could see a reduction in discounting - rife throughout Europe - look less and less likely to be realised.

New car sales in West Germany in January fell by about 20 per cent, according to Opel/Vauxhall, as a re-sult of potential buyers refusing to make purchases while the emissions uncertainty continued.

now expected the West German market to fall to 2.2m units this year from 2.4m in 1984. Even that is optimistic, according

Amsterdam motor show. Some fear could fall as low as 1.9m. That would be a sharp blow to General Motors in particular, which plans to produce 550,000 of the new Kadett/ With the industry already bur-

dened by 2.5m overcapacity and now the prospect of a much-reduced

xecutives at the opening of the

West German market the pres Mr Harold Musgrove, chairman of Britain's state-owned Austin Rover said meanwhile that the question of exhaust emissions and catalysers had become the main problem for Europe's car makers. Austin Rover, like other volume car makers is also faced with problems of re-engineering for the West Ger-

man market, unless Bonn backs

Near-record month for U.S. big three, Page 23

## MX test agreement set to dominate Hawke's U.S. talks

to several other senior car company

THE MX missile tests in the South Pacific are expected to dominate the meeting between Mr Bob Hawke, the Australian Prime Minster, and President Ronald Reagan in the White House today.

Mr Hawke, who arrived in Washington last night from Europe, was due to meet Mr Caspar Weinberger, the Defence Secretary, and also Mr State, during his visit.

Before leaving Europe he made an apparent U-turn on his agreement to allow Australia to be used to monitor the MX tests. This, it seems, was the result of political

Mr Hawke's apparent change of mind follows the controversy caused by the refusal of Mr David Lange, the New Zealand Prime Minister, to allow U.S. ships, either

U.S. 'does not

takeover rules'

need new

By Stewart Fleming

Advisers.

nuclear-powered or armed, to enter New Zealand waters. This in turn led the U.S. to cancel Anzus "Sea

U.S. set up the Anzus military pact in 1951. Although Australia and New Zealand yesterday announced they would go ahead with military es, the U.S. has hinted at reprisals over and above the withdrawal from Sea Eagle manoeuvres. There are fears that the U.S. will attempt to relegate New Zealand to a junior role within Anzus. In Wellington, Mr Lange reacted

ngrily to reports of U.S. reprisals. He said: "I regard it as unacceptable that another country should by threat or coercion try to change a policy which has been embraced by

ever, has made no secret of its concern that anti-nuclear feeling in New Zealand might have a "ripple effect" on other countries, such as Australia. Japan and even western Europe. It has warned both New Zealand and its other allies that diminished security co-operation

with the U.S. cannot be "cost-free." Pentagon officials said that if American aircraft could not use Sydney as a base for monitoring the missile tests, the U.S. would have to examine "other options." The U.S. has conducted seven shorter-range MX tests in the Pacific, using the Kwajalein test range in the Marshall Islands.

The Pentagon said that the aim now was to test the missile at long-

er ranges. Hawke's troubles, Page 4

# **British Telecom to**

BY GUY DE JONQUIERES IN LONDON

FURTHER federal regulation of corporate takeovers would be "premature, unnecessary and un-wise" according to President Ronald Reagan's Council of Economic

In a section of its annual report on what it calls "the market for control of corporations," the council says takeover activity serves the public interest, and argues that it is important for managements of pub-licly-owned companies "not to be insulated from competition in the

market for corporate control." The council says available evidence suggests the takeover market has generated net benefits for the economy and abusive practices have been "limited largely to tactics employed by target managements, who in opposing takeover bids de-feat or deter tender offers at the ex-pense of their shareholders and the

economy." The council's analysis follows inreasing controversy on Wall Street takeover activity, especially the practice of what has been called "greenmail," when a bidder buys a block of a company's stock and then presses the target company to pur-chase the block back at a price which arguably is inflated by the threat of a takeover. There have been efforts in Congress to press for legislation to try to make such

behaviour illegal.

The advantages and disadvantages of takeover for industrial

The council argues that an unfet-

# make own computer

BT will make, under licence at a plant near Birmingham, high-performance professional machines designed by Bleasdale Computers, a small British company. Planned production volumes have not been disclosed but are expected to build up to several thousand units a year. BT plans to use the machines internally initially, but it is under-

stood to be interested in selling them on the open market from next year. Bleasdale sells its microcomputer systems for between £7,000 (\$7,798) and £40,000.

BT already sells a range of microcomputers, word processors and terminals. These are purchased by its Enterprises division from several suppliers including ICL, part of tional Coal Board. Standard Telephones and Cables, and Logica, a computer services

manufacturing activities through a separate subsidiary Bleasdale, which was founded in 1975, specialises in powerful mic-

rocomputers which can be linked in networks. Its machines are popular with scientific and technical users. Customers include GEC and the Na-Shares in the company, which

BT. Most are used to refurbish tele-

phone exchanges and similar equip-

ment, though this activity is set to

decline as modern electronic sys-

tems are installed in the public net-

BT fought hard to ensure that its

operating licence, granted last year, allowed it to manufacture. It is re-

quired, however, to carry out its

had estimated sales last year of company. £2m, were floated on the over-so far the only products which the counter market last March.

## Argentina moves nearer prices and incomes deal

claimed yesterday to have taken an Tuesday. agreement on prices and incomes with unions and industry, announcing a 30-day "truce" to restrain strike action in return for guarantees of no major lay-offs.

The announcement came late on Tuesday night at the end of the latest meeting between the three sides who have been negotiating a social contract for over four months.

Government officials publicly heralded the "truce" as a major breakthrough in its attempts to secure broad political support for its austerity measures aimed at reducing the country's 760 per cent infla-

However, both business and union sources privately expressed their sceptic ism that the move would necessarily pave the way for a more far-reaching agreement ex-tending curbs on prices and wages.

The main trade union organisathey will be seeking an inflationlinked retroactive wage adjustment have adhered strictly to the targets early in 1986 and is expected to take above the 14 per cent basic increase during this period.

decreed by the Government on

With an increase in the consum price index for January of over 24 per cent, several points above the government's original target, union officials believe the latest wage of fer is unacceptable.

Looming in the background of the latest round of wage negotia-tions is the internal crisis of the Peronist Party, which has a majority control of the CGT. Government officials privately concede that the deepening divisions in the country's major opposition grouping could undermine the influence of some la-

bour leaders over the rank and file. Significantly, the country's railway workers yesterday threatened to resume strike action in spite of as contractor to build the complex. the alleged "truce."

The Government's latest efforts three local Bahrain companies - to formulate a comprehensive anti-The Government's latest efforts inflation package have coincided with the arrival in Buenos Aires of Projects S.A. They have been granttion, the General Confederation of an International Monetary Fund ed a licence to develop the site by Labour (CGT) is yet to agree to the team headed by Sr Joaquin Ferran. Bahrain Central Municipal Council salary increases for February. La-bour leaders have indicated that in further talks over the next week

The team will spend the next two and will spend the remainder of weeks checking the Government's 1985 finalising the plans and raising monetary and fiscal performances. The team will spend the next two and will spend the remainder of

Government officials claim to

## Air Lines decides to reimpose wage cuts By Paul Taylor in New York

Eastern

EASTERN AIR Lines, the emba tled U.S. carrier which is embroiled in a wages struggle with its unions and is in technical default on most of its \$2.5bn of long-term debt, said vesterday that it expected to report a net loss of more than \$30m for the

Eastern, whose current problems stem from a dispute over the extension of 18 to 22 per cent wage reduc were agreed last year in return for a 25 per cent equity stake, said it would unilaterally re-impose the wage cuts this mouth. It has accepted the recommendations of a labour consultant as the basis for a settlement with its unions and lenders.

The increasingly bitter battle be-tween Eastern and its unions was sparked by the airline's initial decision to extend the wage cuts pack age past the December 31 contract

expiry date.
Two weeks ago, after threats of legal action from the unions, Eastern backed down and agreed to restore full pay to its employees while new contract talks were held. The new talks became bogged down, however, and last Friday the airline went into technical default on some of its loans when a deadline set by its lenders for a contract agreem

Yesterday Eastern said most of its projected January loss, "is di-rectly attributable to the \$23m in additional wages paid to employees in January as a result of the restor ation of wages invested in company stock in 1984." The airline added "January's loss will be almost equal to all of 1984's loss of \$37.9m."

The January shortfall contrasts sharply with the \$10.7m net profit reported by the airline in its 1984 fourth quarter - the second conse utive quarter in which the air carrier had posted a profit.

Eastern's comments, with an aggressive attack on a union plan to link wages to revemies, represent a major hardening of its stance towards the unions under pressure from its lenders, who are seeking assurances that the airthe first time in six years.

The unions have now threatene to reinstate court actions against Eastern. They have yet to respond dispute put forward by Mr William Usery, a labour consultant to Eastern and former U.S. Labour Secre

Under his proposals, detailed for the first time yesterday, the airline would implement a new profit-shar-ing plan for 1985 that would give employees all profit above \$90m up to a point where the year's wage reductions were restored. In return, the unions would agree to a \$50m cost-cutting programme based on reducing employee benefits with a range of manning and productivity

### Tarmac wins Bahrain leisure complex deal

By Joan Gray, Construction Correspondent, in London

TARMAC, the UK construction group, has won a management contract to oversee the development of a £150m (\$166m) leisure complex on

a £150m (\$166m) lensure complex on the beach at Zallaq in Bahrain.

The complex is being developed to boost Bahrain's tourist attractions by offering a Middle Eastern equivalent of Disneyland on a site thought to be near that of the biblical Garden of Eden.

It will include a huxury hotel and beach villas, marina, sports and health centres, an entertainment complex for children, botanical gardens, 200, aquarium and aviaries as well as restaurants, conference facilities, mosque and air-conditioned monorail.

Tarmac won the contract by competitive tender against international competition. The value of the management contract to the compa-ny is not being disclosed until full details of the scheme and the fund-

stricted to acting as senior manage ment contractor overseeing the development with a local company, AA Nass Establishment of Bahrein. as contractor to build the complex.

The promoters of the scheme are members of the Unitag Group, and

#### THE LEX COLUMN

# Acorn goes to ground

Shareholders in Acorn Computer have had to decode some pretty strange pieces of information recently. The market's most difficult m has been to make sense of Acom's claim to satisfactory sales at Christmas in the light of its move bles with distributors.

The tumbling share price - from 44p last Thursday towards suspen-sion at 28p - makes it pretty clear how the market has been computing the odds on Acorn's survival - in

its present form, at least. Perhaps the strangest tale to emerge from Acorn, amid all the controversy over Christmas sales and stock levels, is the news that it has parted compay with the finan-cial advisers - Lazards and Cazenove - who brought it to market in

As long ago as last Friday, it eems, Acorn decided that it would prefer to be advised by the small merchant banking firm of Close Brothers, which is apparently now engaged in reorganising Acorn's af-

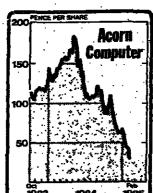
For this to come out only after the shares had been suspended - on Wednesday afternoon – implies that the market has meanwhile been kept in ignorance of price-sensitive facts. Close Brothers has had its recent successes - including the flotation of Logica at much the same time as Lazards were launching Acorn – but an unexplained breach with its original and prestigious advisers could scarcely do Acorn's credit any good.

Until the nature of Acorn's difficulties is made public, it is hard to see what options are open to it, beyand finding sameone to whom its research facilities and BBC contract might make it a takeover

If Acorn were experiencing a serious working capital squeeze no-body would be much surprised. Wood Mackenzie has already forecast a pre-tax loss for the year, arguing that Acorn will have to take heavy exceptional write-downs on stock, in addition to absorbing the costs of its abortive launch in the

#### BTR/Dunlop

day by BTR, announcing that it had companies – which also have high would be better spent elsewhere.



Dunlop in the event that it took con-It was extremely short, it was acentable to the Takeover Panel and it was welcomed by all concerned. Quite what they were welcoming is far from clear. Not only was the statement itself almost trable, but all those responsible for

it have mutually agreed not to clarify its elusive meaning As far as can be judged the banks involved in the proposed Dunlop reconstruction have retired to a neutral corner in order that Dunlop's management and BTR can argue their positions unimpeded. This appears to represent a tactical victory for the offeror, although in exchange for neutrality BTR seems to have dropped its insistence that ketable should clearly be avoided. the banks accept preference stock comparable with that already on offer from Dunlop.

Meanwhile, BTR said the new arrangements would introduce a greater amount of new cash to Dunlop than the reconstruction provides. This might be because the banks have increased their facilities or not, as the case may be.

#### Software accounts

iously jumpy creatures - both in their profits and their share price. Part of the reason for the volatility is that costs are incurred long before they bear any fruit.

The early research and develop-The poor private shareholder in ings from a different source. As a lending rate perched at 14 percent. Dunlop must by now be thoroughly result, a software company can The best hope for the jobbers may bamboozled by the torrent of state-ments issuing from both sides of leaving investors with little clue to rate reporting season will provide

development costs these and write them off gr as the revenues materialise Sinc brokers Henry Cooke Lymets now suggest software compar

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The U.S. Financial Acces Standards Board has produced aset of proposals which would allow U.S. software manufacturers to can italise any costs incurred thee the R & D has taken place. This would apply to expenditure on number crunching activities like details programme design, which would be

in any normal company. In London such accounting practices might raise the odd ex It may be all very well cour more uncertain - even if a programme works, it may be too ex-

Unless an auditor can be that the asset's worth is eventually counts. In the interest of prude tract Logica undertakes client has agreed to pay on delivery

#### London equities

The London equity market appears to have settled into a daily rhythm which, try as they may, the jobbers (market makers) seem in capable of breaking. The early-morning fall in the FT 30-share ina ritual as the late after which attends the opening of Wall Street. Having failed to shake out sellers with their initial markdowns, the jobbers have wirtuilly no way of squaring their shall books later in the day. Meanwhile the knowledge that the jobbers are consistently short of stock provide a measure of protection for the buy ment – investment in the company's ing institutions, whose sizeable future - has to be written off cash balances are apparently an this extraordinary takeover battle. whether the company is any good. enough disappointments to per-The document produced yester-Film production and aerospace suade institutions that their tests



#### Reuters and Price Waterhouse announce the Treasurer's Workshop - 1985 Programme

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exposure.

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Following the success of the 1984

programme, we are pleased to announce a further three events in 1985 listed below. If you would like to be one of the 25 participants in the next workshop, please post the coupon or contact James Dean on 01-250 1122. REDLAND PLC

Mr. Stephen East, Deputy Treasurer

"The course provides a valuable review of the various rapidly developing areas of corporate treasury management. It strikes a very grad balance between the explanation of the various opportunities available and the pratical applications thereof."

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In addition, there is a range of visiting speakers
who aim to give you the benefit of their specialist Matthew Devlin, Vice President, Citihank NA. Mark Wood, Assistant Director, Jeremy Ford, Director, Charles Fulton (Financial Services) Ltd. John Heywood, Director, Hambros Bank Ltd Graham Steward, Marketing Manager, Fortign Exchange Department, Hambrits Bank Ltd. Alfred Kenyon, City University Business School



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ing for it have been finalised.

Tarmac's role is currently re-

Work is due to start on the site

Mr. Terry Holmes, Assistant Finance Dire "I found this a comprehensive and well fo of all aspects of treasury management."

Continued from Page 1

World Weather

Australia, New Zealand and the

BRITISH TELECOM plans to start BT makes for the open market are to the proposed settlement of the making microcomputers later this inexpensive Slimtel telephones, year. This will be the company's which were designed at its own refirst venture into manufacturing search laboratories. Volume proelectronic information processing duction started early last year at a equipment.

BT plant in South Wales. The plant is one of six owned by

BY JIMMY BURNS IN BUENOS AIRES THE ARGENTINE Government

The U.S. Administration, how-

# FINANCIAL TIMES SURVEY

Objections to countertrade have been expressed, but the international debt crisis and unevenness of world economic recovery have resulted in its rapid growth during the 1980s.

# Important tool for exporters

By Frank Gray

JUST AS free-wheeling cash-for-goods trade characterised development of bilateral trade the 1970s, so is countertrade fast balancing arrangements with

THE WAY IN THE PARTY OF EE-FELDING.

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Section 1

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Onuce ornance. expentise in countertrade. But its use as a tool of export finance is spreading with the build-up of deal-structuring expentise in London and New York—the world's two largest financial centres.

Much of the current boom in business with China is being their concern over cash now, observes Mr Ed Miller, senior vice-preident of MG Services, the London countertrade arm of Metaligeschellschaft, the West German metals group.

The second factor behind countertrade's continuing growth is the unevenness of the expertise in countertrade. But

business with China is being growth is the unevenness of the handled through countertrade, and other Asian nations, particularly Indonesia, have also embraced the system. The hig General Agreement on Tariffs

Commertrade's growth coin- recession. cided with the onset of the recession at the beginning of of this is accounted for by the the decade, and bankers argue that two factors are fuelling its longevity.

The control of the country to a record trade deficit of \$125bn.

• On the one hand, there are the frustrated expectations of stronger than ever in the U.S., the developing countries whose taste of prosperity in the 1970s coupled with less robust per-is now stalled by the inter-national debt crisis. Many are economies could abet counter-virtually "off cover" for trade's growing use. traditional medium- and longterm export finance from involves countertrade?
major supplier nations as a result of their indebtedness to mated it at 8 per cent of total Western banks. What they are world trade valued at \$2 trillion left with are severe liquidity (million million).

important commercial instruments of the 1980s.

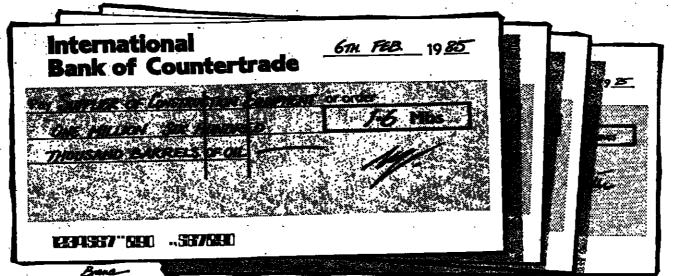
European banking centres,
such as Vienna, have long had
every light and the state of the light and the light an national Monetary Fund about their concern over cash flow," observes Mr Ed Miller, senior vice-preident of MG Services,

embraced the system. The big General Agreement on Tariffs trading centres of the West ad Trade (Gatt) to have gone reckon that Singapore and Hong up 5-7 per cent over the pre-kong, too, may soon join their vious year—the first real-term growth since the onset of the

With protectionist pressures any downturn in its imports

Many trade brokers see the

# IN THIS SURVEY



countertrade phenomenon. Finland, for example, has 25 tion of purchasing goods itself per cent, or \$3bn of its trade dollars in business in this way tied up in framework agree. tied up in framework agree- since. ment with the Soviet Union while India does more than \$2.5bn in business annually with the Soviet Union in this way, and has recently set up a committee to consider more formal countertade dealings with Western countertage dealings with Western counteries.

\*\*Soviet Union in this korea, Yugoslavia and Brazil in the last year—buying iron, a committee to consider more electrical goods and patrol formal countertade dealings boats in exchange for oil, with Western counteries.

\*\*Soviet Union Malaysia said in oil swap deals in order to gain compensation for its delivery of military equipment, mainly Mirage fighters.

\*\*Perhaps the most dramatic of all was last summer's revelations was that Boeing of welations was that Decimal counteries to economic and trade in oil swap deals in order to gain compensation for its for offsets to become so excessive that purchasing countries conduct an auction for offset welations was last summer's revelations was that Boeing of the U.S. had agreed to take formal countertrade dealings with Western countries.

Turkey, too, is in the early stages of implementing some first thrust of the countertrade \$1.5bn in offset investment in boom has focussed on industrial \$1.5bn in offset investment in boom has focussed on industrial its agri-industries as a result goods and non-oil raw fighters from Canacal Description of a \$1.200 near to buy F-10 and the general weakness in oil of the U.S. prices have now also pushed of the U.S.

Greece has disclosed plans to acquire \$78m in military con-struction equipment from the Soviet Union, Japan and Soviet Union, Japan and bloc because of the oil price Czechoslovakia to be paid for crisis and declining foreign rein Greek goods.

taken place recently, however, It frequently requires 100 per annual trade now involves pure job loss in the exporting to indicate the magnitude of the cent counterpurchase of non-barter. oil Indonesian goods as a condi-

> rubber and timber products. As these examples show the

Iran recently announced plans to seek wider barter serves. It has been the most

that commodity to the fore.

velations was that Boeing of the U.S. had agreed to take 34.4m barrels of oil, worth about \$1bn, from Saudi Arabia in exchange for its 747 aircraft. Yet, while many western

governments have no specific quarrel with countertrade as a commercial, company-to-com-pany device to help trade, there is widespread fear that the growth of bilateral trade-balance deals will lead to a closing of markets to the free-trading western nations.

Offset-a big element in de-The natural recourse has been figure as conservative and one Indonesia introduced in active of the oil-barterers and force and connective of the oil-barterers and show been singled legislation will broaden U.S. for those of us structuring no connective of the oil-barterers and show been singled legislation will broaden U.S. for those of us structuring no connective of the oil-barterers and show for the oil-barterers and sh

France's exposure in the Mr Charles Blum, a U.S. Middle East, particularly in trade representative, said last Iraq, has forced it to conclude year that it was "injurious to several hundred million dollars the economic and trade in-

> effective solution to the prob-lem could be reached "without For the co-operation of other nations and in co-ordination with affected U.S. industries."

Nevertheless, the U.S. has given countertrade business added impetus with the passage in 1982 of legislation allowing U.S. banks and corporations to

set up trading companies.

While some, such as Sears
World Trade, acknowledge having expanded too quickly, it is generally agreed that the legislation will broaden U.S. for those of us structuring trade skills, at the moment heavily concentrated in the last wark. This means not at all,

Official View: All agreed on the theoretical objections Metaligesellschaft: Lucrative extension of activities ... Types of Trading: No business for the faint hearted ... Oil Producers: Damaging influence to the cohesion of

South East Asia: Of growing importance in obtaining

The UK: Meeting with a floodtide of activity ...... Vienna: The expertise of the gateway to countertrade Profile: Deal between Indonesia and Hawker Siddeley

Brazil: Countertrade flourishes as never before ....... Barter Organisations: Computers come to fore on both sides of Atlantic

major scale, you must be pre-pared to engage in counter-opening gambit, but as a long-trade. There are certain areas term policy, this will restrict trade. There are certain areas of the world where it is the only way to sell," says Mr Robert Gomperts, a vice-president at BankAmerica World Trade Corporation.

Mr Bob Wyatt, managing director of Midland Bank Group's International Trade Services division, says:

"What really determines term policy, this will restrict export opportunities. Provided advice is sought at an early stage, countertrade can be a painless exercise."

Failure to seek that advice, however, can lead to a 50 per cent penalty on a contract's vertices division, says:

From the point of view of the group structuring a deal the trade. There are certain areas

"What really determines group structuring a deal, the whether an exporter closes a more rules there are, the more

For Western companies dealing with the developing world, knowing the realities of the market place is vital. Veteran traders always point out that

a contract signing.

Some prospective deals start ling irresolutely in countertrade,

companies where expansion is to say 'no' halfway along." meeded.

"In order to participate in Bank's countertrade specialist, international trade today on a says: "Resistance by an expor-

whether an exporter cross a deal is not so much the goods secure the transaction—such as the has to sell as the range of in dealing with the centralised economies of Eastern Europe

Still, this does not exempt a Midlands manufactured goods exporter seeking to ship to Czechoslovakia finding himself traders always point out that facing payment in Indian countertrade requirements can crop up late in negotiations, and sometimes on the eve of taken with those devloping

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# All agreed on the theoretical objections

#### Official View ANDREW GOWERS

WESTERN attitudes to countertrade are a bit like Victorian public attitudes to sex. Governments are deeply fascinated by it and equally disapproving. Most of them, however, believe it answers an important need for many countries, and some of them indulge in it themselves or encourage their private companies to do so.

As developing states have laid increasing emphasis on the puractice over the past couple of years, curiosity in the industrialised world has grown apace and the developed countries have begun to try and develop

And although their approaches to the issue in practice differ widely, there is a striking degree of consensus among them as to the theoretical objections to counterwade.

● Being based in general on bilateral arrangements between countries, it represents a dangerous deviation from the principle of multilateral free

It interferes with the proper functioning of trade by disguis-ing such important details as price.

M It is cumbersome, inefficient, and often has the effect of sharply increasing the costs involved in a transaction.

It sometimes leads to dumpon individual markets, damaging local industry. A famous case in point was a deal in 1973 under which Occidental Petroleum of the U.S. agreed to supply the Soviet Union with super-phosphoric acid and to buy potash and ammonia in return. America's International Trade Commission subsequently ruled that this caused "market disruption" in the U.S.

• Because countertrade is often used to enable a country to live beyond its means of ex-ternal payment, countries in-volved, both in Eastern Europe and the Third World, tend to use it to put off painful economic decisions. "When the transaction in-

volves the specific requirement that goods must be purchased in exchange, the efficiency factors related to those goods are obscured," says Mr Richard McElheny, U.S. assistant secretary for trade development.

These views have have These views have been least in the eyes of developing expressed by the three main nations themselves — are of a international bodies which see basic economic variety.

maintaining free multilateral trade as a key article of faith, trade as a key article of faith, the General Agreement on Tariffs and Trade (Gatt), the Organisation for Economic Cooperation and Development (OECD) and the International Monetary Fund (IMF).

But moving from the recognition of these facts to concrete international agricus on counternational agricus of counternational agricus on counternationa

international action on countertrade is quite a different

For one thing, the complexity and subterfuge often involved in such transactions mean that they are extremely difficult to control. For another, there are no specific international rules by which countertrade could be measured or outlawed. And with the developing and East European countries declaring an increasingly firm attachment to countertrade, there is not much chance of any rules being

drawn up.

Against this background, discussions on the subject in the Gatt have so far been incon-clusive. Pressure on countries to desist from countertrade deals has come from the IMF. ever keen to ensure that developing states earn foreign exchange to pay their foreign debts.
The U.S., too, which roundly

condemns countertrade when-ever it gets a chance, has made representations on the issue to several governments, including Brazil, Mexico and South Rorea.

The Soviet bloc countries and Third world states have differ-ing but overlapping rationales for resorting to countertrade. In Eastern Europe, it is seen as a logical extension of the "clearing" arrangements which Communist countries maintain in their bilateral trade.

It also fits in well with their policies of central planning, and, by forcing Western companies to market their goods, overcomes the Soviet bloc's widely-acknowledged deficien-cies in salesmanship.

"State bureaucracies have a different attitude to trade from market economies," said one Western trade expert. "Officials are under a mandate to boost sales of their own national products, they must obey their five-year plans, and they have to show that they can balance their accounts."

For developing countries, too,

the frequent close involvement of the state in foreign trade can make barter especially tempting. But the main reasons for the steady rise in counter-trade in the Third World—at





Mahathir Mehammed, Prime Minister of Malaysia, who sees countertrade as a weapon against the protectionist developed importing countries. RIGHT: Mr Jacques de Larosiere, managing director of the IMF, which together with the Gatt and OECD sees maintaining free multilateral trade as a key article of faith. LEFT: Dr Mahathir Mohammed, Prime Minister of Malaysia, who

At its most extreme, the practice of linking imports with exports can seem a convenient way for countries to ensure has just completed a major but that they can still buy goods even when their hard currency subject, is that it could become reserves and credit dry up.

To some governments, such as that of Indonesia, the attraction of countertrade has lain in its supposed capacity to boost or diversify exports.

To others, such as the Prime Minister of Malaysia, Dr Mahathir Mohammed, it is "a weapon against the protection-ist policies of developed importing countries," or an instrument with which to force Western companies to invest and create jobs in the Third World. Often, where a commodity is supposed to be subject to official prices, it becomes a method for giving disguised discounts.

These may all be reasonable support for the stance adopted in which the Americans justifications for adopting by the multilateral organi- swapped surplus dairy products

countertrade as a short-term sations expedient. What concerns matic bodies such as the OECD, which more permanent

"In the short-term there may not be many other options, or such options may be more socially or economically difficult to implement," said one official at the Organisation's secretariat in Paris. "The danger is that once you become accustomed to a less efficient trading system, you might become addicted to it."

Faced with this barrage of arguments against countertrade, Western governments have tended to adopt a two-pronged

policy.

"Nearly all the governments of Western industrialised countries walk a tightrope between

matic real world approach designed to ensure that their own exporters are not disadvantaged," says a recent report on North-South counter-trade by the Economist Intelligence Unit.

The U.S., for example, focuses

its opposition on countertrade specifically required by a foreign government, which it says threatens the foundations of the Gatt system. But it does not stand in the way of commer-cial companies which see the need to engage in the practice, Several countries, including

America and France, offer their companies advice on how to carry out countertrade.

U.S. objections to counter-trade are undermined in many people's eyes, however, by the fact that it has resorted to barter itself in the past Deals in which the Americans

become notorious — and iron-cally, resulted in a complaint to the Gatt by other daily producers such as New Zealand. Ultimately, in combating what they regard as an operous and

disruptive system, most Western nations hope that the develop-ing countries, at least, will see that countertrade is not in their own best interests. After all, they console themselves, coun-tertrade only represents about 8 per cent of world frame at

important study of the subject by Mr Gary Baiks, a former Gett economist: "The selftrade in a world where, at less

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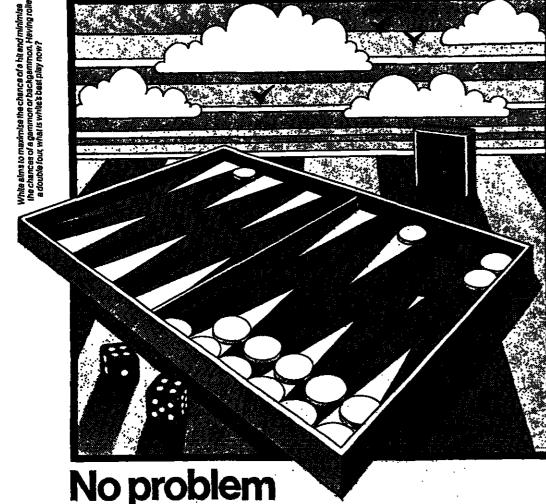
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## Lucrative extension of activities

#### Metallgesellschaft

JOHN DAVIES

WITH LONG experience in the trading of raw materials, Metallgesellschaft of West eGrmany has been moving rapidly to build on its expertise in order to benefit from the growth of countertrading.

After forming a specialist subsidiary in New York in 1983, to handle countertrade for clients, it recently set up a countertrade partnership link-ing it with First Boston, the U.S. merchant bank, and Louis Dreyfus, the French commodi-ties group ties group.

The decisive and enthusiastic manner in which the old estab-lished West German group has Issed West German group has espoused countertrade has raised some eyebrows among the more conservative business community. But Metallgesell-schaft sees countertrade as a logical and lucrative extension of its activities in the trading of metals and themicals. metals and chemicals.

The Frankfurt-based company has been intent on setting up a wide-ranging network to offer integrated services and advice

integrated services and advice covering various facets of compleated deals for clients.

The link with First Boston has widened the scope for financial advice, while the tie-up with Dreyfus facilitates deals involving soft commodities, as well as with the Soviet Union and French Africa.

Metallgeselischaft has its sights set on clients around the world, not simply in West Germany, and seeks large-volume deals. It is reluctant to take on any countertrade deal involv-

any countertrade deal involving less than \$5m unless there are exceptional circumstances (or exceptional clients involved).

With West Germany keenly interested in trade with developing countries and with Eastern Europe, countertrade has necessarily become an important—if not always comfortable—part of business life for many of the countries many of the countries wanted. many of the country's manufac-turing companies. While Metaligesellschaft has

become strongly established as a specialist in facilitating such deals, other operators, some of them small, have also been seek-ing a niche in this type of "fix-it" business. As world countertrade busi-

ness has grown internationally, insurance of "political risks," such as failure to deliver

tial role in countertrade.

Of West Germany's exports, worth more than DM 430bn (U.S.\$ 120bn) a year, about 80 per cent go to industrialised Western countries (including Japan). Foreign trade experts believe that countertrade features prominently for the refeatures prominently in the re-maining 20 per cent. An expert at the Wholesale and Foreign Trade Association (BGA), in Bonn, says that countertrade has not only grown in volume but has also

spread more widely, including deals with Greec and Portugal. Countries which used to ask for 20-30 per cent of deals to be matched by countertrade are now asking for 100 per cent. Countertrade was estimated to make up about 15-20 per cent of West Germany's trade with Eastern Europe a few years ago, but is now thought to be half or possibly more.

To help exporters find an outlet for countertrade items, the BGA compiles a list of companies interested in taking over-

the marketing of goods from Eastern Europe. Large West German indus-trial and trading companies have built expertise in countertrade, particularly with Eastern Europe, but the rapid growth and geographical extension of countertrade is viewed with misgivings by some groups.

Thussen Handelsunion the

Thyssen Handelsunion, the international trading subsidiary of the Thyssen steel concern, remarked a few weeks ago that the growth of countertrade was by no means a positive or desirable development.

Thyssen Handelsunion's policy

primarily in commodities which are already in its own product range and for which it has an established sales outlet. "It is therefore relatively easy for us to exchange for exemple, steel to exchange, for example, steel for scrap metal, pipes for oil, coal for steel or metallurgical products," Herr Waelter pointed

is to engage in countertrade

At the same time Herr Waelter says that Thyssen Handelsunion, with an international organisation and sales-national organisation and sales-outlets, is interested in using these resources in barter deals, as well as in helping countries export goods independently of countertrade.

Dr Heinz Schimmelbusch, the Metallgesellschaft board memsuch as failure to deliver countertrade goods, has also become more developed internationally. It is understood that a variety of insurance groups—
British and others—are at present redefining their poten—

British are developed internationally. The international present redefining their poten—

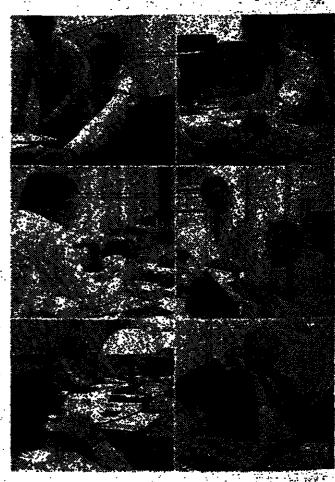
British and others—are at present redefining their poten—

British and others—are at an export transaction.

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British are defining their poten—

British and others—are at an export transaction.



ealers in Metaligeselischaft's Frankfurt effices, the centre of the group's trading activities.

Dr Schimmelbusch is an Austrian educated in West Germany and the U.S. and had investment banking experience in the U.S. His familiarity with the business world on both sides of the Atlantic has helped to formulate ideas and forge links which have given imperus links which have given impetus to Metallgeselischaft's counter-trade involvement.

Under recent agreements Under recent agreements, First Boston-Metalligesellscript (FB/MG) has been set up to offer integrated countertrade and financing services. It is a partnership of First Boston of New York with MG Services, which in turn is a partnership of Metalligeselleschaft and Dreyfus.

He estimates that countertrade makes up 15-20 per cent of world trade and believes it will continue to do so in the give details of the volume of immediate future, Pressure for countertrade business it has nevertheless a backward step and an "Old Testament practice."

He estimates that counterCanada Western Europe Japan,
South Korea and Australia.

Metaligesellschaft dees not give details of the volume of countertrade business it has countertrade and an "Old Testament practice."

Thyssen Handelsunion's policy

It says that in its raw materials division, counter-trade is simply one of the many areas of expansion. Fees are set in relation to work and risk, and the company says its risk is "normal for commodity trading."

While bank finance and export credit insurance can play a key part in setting up counter trade deals, insurance of "poli-tical" risk exposure — such as failure to deliver countertrade goods—has also developed into a significant if specialised area in international commerce.

American Interntional Group (AIG) of the U.S. has been one of the innovatory concerns inor February 7 g

the IMF

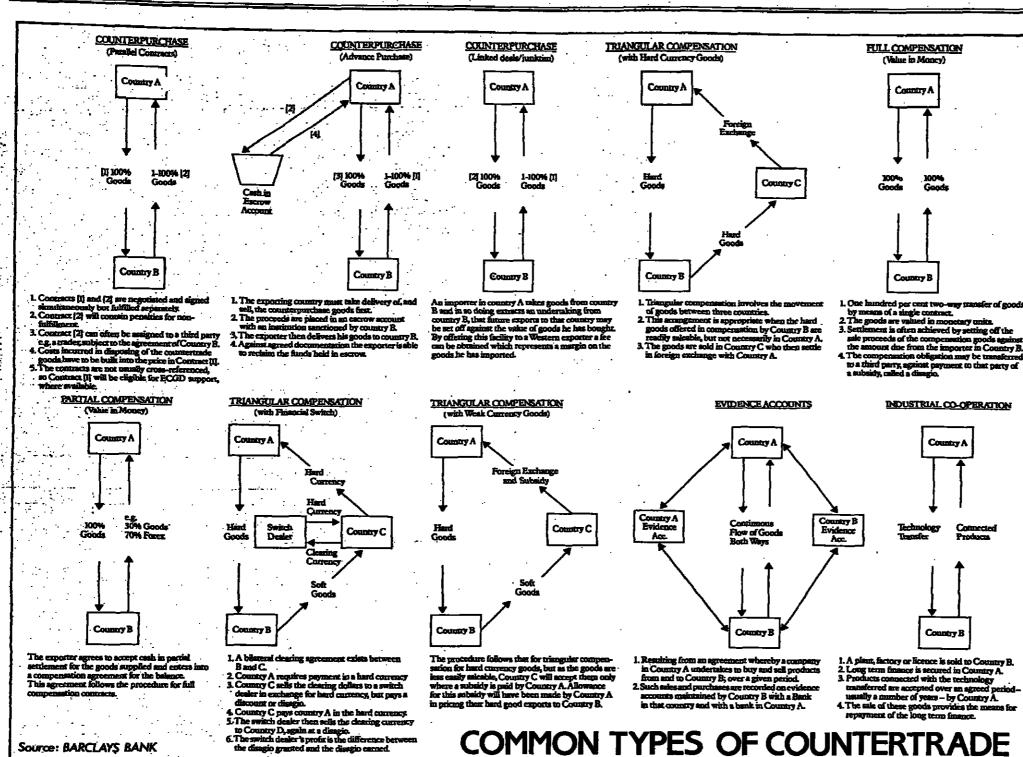
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## No business for faint hearted

Types of Trading FRANK GRAY

TO MANY small exporting companies, especially those new to the world of international made simply means a straight swap of goods between two parties. At the very most, it will mean the combined use of goods and cash to pay for an

But to its most successful practitioners — the blg multi-nationals and trade brokers countertrade embraces at least a haif dozen techniques, and many more intermediacies, to help close what is essentially a bilateral trace deal.

As Mr E. S. Finley, chief-executive of the New York based International Commodities Export Company, pointed out recently, countertrade "may mix governments and private industry, developed and developing nations and high-technology and cotton industries."

"This is where the experi-

engineering." is the key ingredient of the The advantage to the exporter tain the evidence a Deals that start out using one deal, but payment with goods is in the use of often in balance year by year.

form of countertrade, sometimes wind up using another, or even turn into some other type of transaction involving export finance. Indeed, some are not concluded, so great are the complexities involved. It is no business for the faint of heart.

The following is a digest of terms used by the international trading community under the umbrella of countertrade.

Can range from a small fraction of the importing most of it. Goods offered in materials of the importing a presence in a market deemed to have long-term potential.

The following is a digest of the international trading tool in transactions involvement of third, fourth, fourth, fourth, fourth, fourth, fifth and even more partners between industrialised and to ensure their disposal developing countries, it into the international trading community under the umbrella of countertrade.

Countertrade embraces at least half a dozen techniques, and many more intermediaries, to help close what is essentially a bilateral trade deal

 Barter: A straightforward exchange of an exporter's goods for goods and/or services supplied by the importing nation. Cash is not a major industries."

"This is where the experication of countertrade profes except for commissions excelled in structuring a service fees paid to interworkable deal that is acceptable mediaries. Barter is comparate to all the parties involved." tively rare, especially on a but in the future output of the investment concerned. Buy-back point out, just as the term bar point out, just as t

involves East/West interests in trade with the developing world.

Buy-back: A long-term form

importing nation leverage to pay for the goods. Offset is used regularly in commercial aircraft and defence deals and the amount of locally placed invest-ment can often run into the billions of dollars.

Switch Trading: Used in correcting imbalances in long-term bilateral agreements, switch trading often involves complex tie-ups between buyers, sellers and brokers in different markets. In switch tracing, one nation's trade surpluses with a partner country can be tapped by third parties, so that, for example, UK exports to Brazil might be financed from the sale of Polish goods to the UK or elsewhere,

• Evidence Accounts: A device used to help an exporting interest meet counterpurchase requirements in a client country. An evidence account enables the exporter to debit its own counterpurchased imports and credit its exports over a period of time rather than counterpurchasing goods on an item-by-item basis to match the exports. The object is to main-



Installing a Rolls-Royce engine on the Boeing production aircraft for Saudi Arabian oil.

The Economist Intelligence Unit EIU Special Report No. 174

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# Countertrade: a delicate art



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Nor has every bank committed specialists in key financial centres - as we have - to handle countertrade.

Sensitivity pays

To succeed at countertrading you need to be sensitive to potential markets. After all, the products offered in countertrade deals are often in surplus to a particular market. Or they may not be marketable under the terms offered by the seller. In some cases there is a need to protect sales that can no longer be paid

Our skill lies in setting up a deal that benefits all partners.

But this matchmaking role - helped as it is by our contacts around the world - is only half the story. Many countertrade proposals fail because the

parties lack the confidence to see the transaction through.

So a vital part of our job is to build trust. Countertrading is more complex than trade on conventional payment terms, calling for a great deal of imagination, coupled with the most careful planning.

Not only do we find partners, structure the operation and agree documentation, but we ensure that it is completed fairly and executed impartially. Our aim is to see a deal through from start

A world of opportunities?

It's well known the world is not teeming with profitable countertrade deals just waiting to be

snapped up.

Where our expertise is valuable is in seeking out

Not just those in relatively straight forward transactions like Barter, Counterpurchase and Compensation; but also those in the more sophisticated areas of

Clearing and Switch deals. We keep abreast of trends, too.

For example many countries are now increasingly reluctant to offer their raw materials, prefetting instead to promote finished goods and services, often with attendant marketing problems.

And we also know how important it is to work with governments, recognising their various attitudes in developing countertrade policies.

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through countertrade. The fact that they received such a precise and firm offer is to a great ex-tent an indictor of their falling Oil Producers interest in Iranian crude at current contracted prices. How-ever, they are not alone in receiving such suggestions.

IRAN'S National Oil Company Since 1982, NIOC has had a (NIOC) recently offered to buy \$1-worth of Japanese goods for comprehensive plan for countertrade and is thought to have bartered \$20bn worth of crude every \$2-worth of contracted crude sold to the Japanese trading companies. Given that since the war with Iraq began. the offer was made only a month before the December meetings in Geneva of the Organisation of Petroleum Ex-As the Greeks discovered last August, the Iranian Government knows exactly what it wants for its crude. porting Countries (Opec), the Japanese had plenty of reasons

Mr Evangellos Kouloumbis, then the Greek energy minister, received 1m tonnes of 1ranan crude (with an option of a fur-ther 500,000 tonnes) for 150,000 ments to the same banks. Sri Lankan tea deals also tonnes of wheat, large quantities avoid the embrace of Western avoid the embrace of Western are to the contraction of the same to the contraction of the received 1m tonnes of Iranian of eggs, chickens, tobacco, alum-inium pots and pans and an airselves into a medium-term countertrade deal for crude, just as the price started to fall, would be to risk making a loss lifted tranche of much-needed pharmaceuticals; presumbaly for the war effort.
As far as is known, Iran is

would be to risk making a loss on the resale of the crude in Japan. Unhappily, however, if Iran did not pay for Japanese goods with crude, it could not buy them at all.

The incident reveals a great deal about the murky world of countertrade deals in oil. First. now paying for Soviet construction, Yugoslavian ships, West German steel, Pakistani commodities and Taiwanese machine tools with crude. Syria gets 1m. tonnes for keeping the Iraqi oil lines from Kirkuk firmly shut.

Matters are not very different on the other side of no man's land, with one important difference. Not only does Iraq have to resort to barter and countertrade to coll its own countertrade to sell its own crude. It also has to resort to such deals to dispose of the war relief of other states to the Although in parter and counter-trade deals generally, dollar valuations do not have much meaning, on an annualised basis it suggests that Iran was south. Saudi Arabia is no longer in a position to donate longer in a position to donate Taken in straight dollar unlimited quantities of hard terms, this suggests a loss of

offering to buy over \$1bn worth of Japanese goods with crude. Second, it suggests that if As the barter deal for Boeing the Saudis themselves are not above supplying oil as direct as a result in the fall of the payment for goods. That deal was worth, on the face of it, just under \$1bn for \$34.4m barrels of crude. Saudi aid in oil to Iraq amounts to 70,000 bd; or two-thirds of a jumbo deal each year. Japan insisted on dollar pay-ments for its sales to Iran, then its trading companies might lose the equivalent amount of business; if the offer was extended The Japanese, given the undeal each year.

built Volkswagens for 65,000 bd of Iraqi crude in one deal and bartered 71,000 tons of beef in another. India also received oil for construction work. Each of these countries had substantial foreign exchange reasons for accepting countertraded oil.

For a country like Brazil, which also countertrades extensively for Nigerian oil using basic commodities, the deals short circuit the whole question of Western debts and hard currency shortages. Cash dollar receipts have a habit of dis-appearing either into the U.S. bank accounts of private per-sons or as official interest pay-

commodity markets. The value of the goods exchanged may well not match their theoretical dollar value, but the deals are in the control of the national institutions responsible, not the international credit system.

For Western companies, however, countertrading for oil is more problematic. Just as the Japanese have reason to fear a downward moving oil mar-ket, the French have already suffered from it. The construction company Technip counter-traded 1.2m barrels of Iraqi oil as a downpayment on a new lube oil complex at Baiji. Its contracted worth was \$29.43 a barrel and the oil was sold at \$27.40 on the spot market, to Greek interests.

\$2.4m to the French company. Iraq However such an estimate jumbo jets (see table) revealed, almost certainly unfair. Aside the Saudis themselves are not from compensation on the deal

clear precisely what goods and

some success or this services were one-call the control systems. The crude second, activities of the biggest arms. Quota control systems. for tea. Brazel traded Brazilian- if Technip had not been prepared to accept oil, then it Soviet Union Libya, which has of the deals and the rest value certainly would not be building also paid its Italian, Greek and the plant; indeed the plant might not have been built at

The same can broadly be said about Western oil-for-arms deals. After a year of negotiation, Dassault has now agreed to supply Abu Dhabi with 18 Mirage fighters for 15m barrels of crude. The oil is expected to go to CFP.

Theoretically the French company should be getting more oil for its planes since the last Geneva/Opec meeting, but again the question is who discounts what in a deal of such

The theoretical loss from cut in the price of Abu Dhabi crude is less than 1 per cent of the deal. Currency shifts and cost over-runs could account for it, as could "goodwill," and nobody at either end of the deal is likely to say.

Supplier

India

France

USSR

Brazil

France.

Greece

Japan

Pakistan

Yugoslavi

West

Syria USSR

S. Korea

Japan

Italy

USSR

Brazil

Brazil

Caribbear

Saudi Arabia U.S., UK

Malaysia

Italy

Sri Lanka Tea

Recipient Counterpurchase Details

Construction

Cars, beef

eggs, etc Steel, cars

Construction

Arms, aircraft

Arms. constretu

Export pipeline

Wheat, cotton,

Commodities

Goodwill Construction

Construction

Construction

Oil products

Local produce

Aircraft

Aircraft

Venezuela Loan navments

Debt repayment Debt repayment

Debt repayment

for-oil countertrader, the Indian debts in crude, is thought to be the main crude supplier.

for weaponry.

rency or crude. Oil countertrading clearly

Iraq also contributes in return free market in oil. Its origin les.

Although such a mechanism may damage Labya's capacity to export its crude direct to the West, from Libya's point of view it is highly valuable; not least because the West will not sell arms to Libya for hard currences or crude.

damages the cohesion of Opec, although it should not be assumed that all deals constiody at either end of the deal tute breaches of the quota system. Deals with Brazil, South-tem. Deals with Brazil, South-tem. Deals with Brazil, South-East Asia and the Indian sub-Finance continent will continue even if omist,

Known countertrade deals in crude oil

Petroleum.

Volkswagen

Shewa Oil

Via Agip

Sugar debt

18 mirage jets

Soft loan system

tø **5200**m F20 fighters

Paper, sugar steel Started September

Salpem

INOC and Ceylon

Nissan, Kobe Steel,

Ship delivery in 1987 Iraq pipeline closure

70 per cent value in oil

Sumitomo, Hyundai

Not for spot resale

Boeing, Rolls Royce

65,000 bd of product

Plans to increase barter

Daelim desalination plant

Damaging influence to the cohesion of Opec Some 300,000 tonnes of this services were offered to the itself in comparison with the Onec creates a much stronger The damage lies in the servery trading effectively ereates; a series of rigid blisterial trading relations and thus threatens a

in the weakness of commonty markets, the repairing of the Putting a value on such deals however is effectively impossible. Rouble denominated change problems for primary goods cannot be accurately measured in dollar terms and, in addition, some of the Soviet imports are re-exported to the imports are re-exported to the associated if the source constitution of the source con can be expected. If the differ continues to strengthen applies European currencies, then imprespend Petroleum Estelligence Weekly, by far the heat source of information on succeeded. Opec crude is new cauntar-traded

If this is correct some \$26hn worth of crude has left the free Chris Cragg is editor of the

3150

Quantity

60.000 bd

80,000 bd 23,000 bd

1.2m harrels

20,000 bd

150,000 bd

20,000 bit

30,000 bd

Im tonnes 61,000 bd

40,000 bd 18,900 bd

132.000 Ъй

34.4m barrels

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1.57m barrels

17-30m barrels

300,000 tennes/yr

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# certain state of the oil market, are increasingly wary of Iranian Of growing importance in obtaining business

South East Asia

CHRIS SHERWELL

CHRIS CRAGG

In common with most of the world, they believed that the contracted price of crude was likely to fall in the second

quarter of 1985. To tie them-

countertrade deals in oil. First,

its extent: roughly 13 per cent of total Iranian crude produc-tion of 1.8m b/d goes to Japan

and accounts for around 6 per

cent of that country's crude imports.

Although in barter and counter-

over a full year.

to be sceptical.

ATE LAST year, the British Steel Corporation put in what was believed to have been the lowest bid for a small but imortant contract to supply rails to Malaysia. But BSC failed to secure the deal, and last month the order looked almost certain to go to Poland.

The difference, it turned out, was an element of countertrade, though there were also suspi-cions—said by the Kuala Lumpur Government to be un-founded—that BSC actually

porters of countertrade in the region, while the Philippines, Thailand and even free-trading Singapore have also been involved in such arrangements.

Indonesia is reckoned to have led not only South-East Asia's but the whole developing world's interest in countertrade as a means of financing imports and increasing exports.

The policy began at the start of 1982 when the country, Asia's largest oil and gas exporter, faced a stagnation in petroleum revenues and needed to promote its non-oil exports.

According to the terms of the policy, foreign winners of public sector construction and procurement contracts valued at more than Rp 500m tin for tournitus of case, in-(US\$465m) have to buy Indo-nesian goods or commodities wolving Brazil, Malaysia con-tended two separate contracts nesian goods or commodities equal in value to the foreign content of the supply contract

Under deals agreed so far, Indonesia has bought items like fertiliser, factory equipment, drilling gear, telecommunications equipment, locomotives and railcars in exchange for rubber, cocoa, coffee, tea, ply-wood, cement and garments. The foreign suppliers face a penalty if they do not meet

In 1983 Indonesia extended the policy to cover oil, and negotiated with Singapore to buy the refined products it needed like kerosene or diesel (and even some Middle East crude) and to sell others which it had difficulty marketwhich it had directly market-ing, like low sulphur waxy residue. This barter arrange-ment changed again last year when Indonesia virtually ended long-term processing deals with Singapore because its own refining capacity had been

According to Government figures, Indonesia had concluded a total of U.S.\$817m in export contracts under counterpurchase arrangements by
July 1984, and slightly more
than half had been implemented.

overail, there have been plenty
of proposals for barter-type
deals, but none of significance
have been concluded since the
country's economic crisis bless
implemented.

implemented. fraction of Indonesia's total and involved a defence pur-non-oil exports (about cheen in evolved a fraction of Indonesia's total and involved a defence pur-U.S.\$4.9bn in 1983) or total imports (around U.S.\$15bn), and is well below the hopedfor U.S.\$2bn a year, it is a substantial figure by comparison with other countries in the region and the policy has probably helped Indonesian exports. increase

Major foreign importers Major foreign importers under the arrangements have been West Germany (some U.S.\$240m), Japan (U.S.\$150m) and the U.S. (\$88m). The figure for Britain was

missed the contract because and Industry Ministry set up of a separate argument over a special countertrade unit to Malaysia's air traffic rights to serve as an information clearing house and provide advice Abn Dhabi France Either way, the case provided and guidance.

a sharp illustration of the new Broadly speaking, the Govrelevance of countrirade in ernment wants to promote Malaysia South-East Asia, Both Malaysia Malaysian industry as well as Mexico sia are major sup- exports, and would therefore ducts which are difficult promote abroad rather than the traditional commodities it can sell on conventional markets, like palm oil, tin, rubber or timber, all of which Malaysia produces on a grand scale.

Inevitably, perhaps, this has been less successful than hoped, although some significant counterpurchase deals have been done. One concluded in 1983 involved the purchase of two naval patrol boats from South Korea, one of them to be paid for with crude oil, refined palm oil, textiles, timber and electrical products.

In another deal, switchgear bought from Yugoslavia was to be paid for with rubber and tin for four-fifths of the conin which the net effect was to exchange crude oil for Brazilian iron ore in a signficant "South-

By last September, Malaysian Government and statutory bodies had purchased M\$57mworth of goods under counter-trade arrangements, accord-ing to one minister—a rela-

More recently, several com modities—crude palm oil, logs, sawn logs and tin—were actually taken off the list of goods which could be ingoods which could be in-cluded in countertrade arrange-

The Government nevertheless remains committed to the policy, and bidders for Malaysian contracts—as shown by the recent British Steel stand to benefit if they case stand to benefit if they can offer the option of a counterpurchase arrangement.

In the debt-burdened Philippines, where the problems and costs of securing foreign exchange have reduced trade exchange have been plenty

The last notable contract was chase in exchange for Filipino handicrafts and furthiture in a deal worth around U.S.\$5m. One problem is finding suitable Filipino goods to exchange.
Thailand is the most recent participant in formal counter-

trade in South-East Asia, and hit the headlines last September when a private trade mission returned from Moscow with a basic agreement on a countertrade pact with the Soviet Union. Under the accord the two

countries' first bilateral trade Following the Indonesian expected to buy garments, tapioca flour and maize, and probably sugar, tubber and rice, ments to try to include an element of counter-trade in liser, petrochemicals, hardwood their purchases. The Trade agreement, the Soviet Union is

## HOW YOU CAN ADD 25, 50, 100 MILLION **DOLLARS**

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Recently Boeing Aircraft bartered one billion dollars in aircraft to the Saudi Arabian Government for crude oil. The United Arab Emirates, in an unrelated deal, is very close to con-French aircraft that will value 450 million dollars. During 1984 several barter deals were

completed successfully, comprising of many commodities/services between U.S. companies and foreign countries/

companies.

Lately several corporations have set up countertrade-barter divisions and subsidiaries including General Motors, General Electric, Northrop, Combustion General Electric, Northrop, Combustion, Engineering, Honeywell, Control Data, Bankers Trust, Citicorp, Shearson Lehman, Kaiser Aluminum, Caterpillar. Sears, as well as many more. Why? Several economic reasons: The high valued U.S. dollar has had

severe repercussions on all exports.

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to go into detail as to how counter-trading-barter when properly used will increase your company's revenues by 25, 50, or even 100 million dollars per We proudly invite you to Join our

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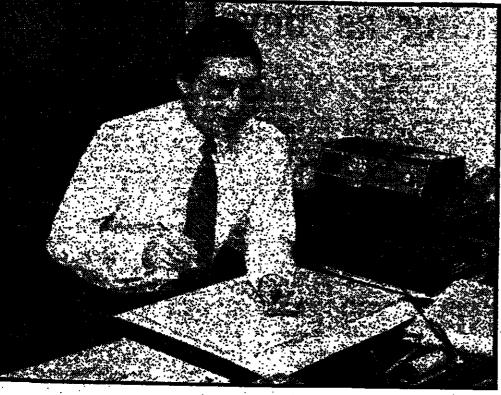
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LEFT: Mr Colin Comery, countertrade manager of National Westminster Bank. He explains that a sudden surge of enquiries made it necessary for the bank to build up and centralise its



# A floodtide of activity

The UK FRANK GRAY

A SMALL announcement re-cently disclosed that a subsidiary of Austria's Creditan-stalt - Bankerverein, AWT Vienna, was opening a London office. The purpose of the move it said was to "provide counter-trade services for UK corrected. trade services for UK corporate

By itself, such an announce-ment would attract only cur-sory attention from the City of London's business com-munity, But taken in the context of the times, it is the latest in what has become a floodtide of activity by British banks, foreign banks based in the UK, and trade brokers themselves as they respond to the surging in-terest shown by businessmen in

Such interest stems from the unnevaness of world economic recovery, the world debt crisis and the decision by many de-veloping nations outside the Comecon bloc to embrace various forms of barter — countertrade — in their busi-ness dealings with Western

In the last year, there has been a flurry of announcements in the City of London on the establishment of countertrade services. The leading clearing. banks, Midland, National Westminster, Lloyds and Barclays, have all established counter-trade sections within their ex-

They follow earlier moves by Rleinwort joined Bank Hand-ome of the U.S. majors, such lowy of Poland and Banco di as Citicorp and Manufacturers Hanover to establish counter-

trade bases in the UK.

The banks' services themselves amplify the activities of such big trade brokers as Mer-han, an autonomous unit of the Continental Grain Company of When the recession, and the U.S., and Metaligeschells. Poland's debt crisis, began im-

and minerals company.
In fact the West German

group has chosen London as its countertrade headquarters— rather than New York or Frank-furt—because of the City's role as a centre of world commodity and with First Boston Bank of the U.S.; moves which will allow it to broaden its expertise into agricultural goods and in trade finance services.

Towards the end of the year, a new organisation, Batis Inter-national Business Services, set up Europe's first computer data service to bring together sellers and buyers of countertraded goods and to provide informa-tion on national countertrade practices, The Batis operation complements a similar service started two years ago by Boston-based World Trade Data

The sudden surge in inquiries made it necessary for us to build up and centralise our ser-

To Richrwort Benson, the merchent bankers, countertrade has been bread and butter busines for nearly two decades.

. Kleinwort joined Bank Hand-Sicilia of staly 15 years ago in setting up Centro Bank in Vienna with a specific brief to provide export finance and sountertrade expertise for clients seeking business deals with the Começon bloc.

take advantage of the sudden countertrade boom emanating from the developing world, par-

ticularly Indonesia. While deals of £100,000 inwhite deals of 1100,000 involving counter-purchased goods were routine in Eastern Bloc dealing, deals of 110m became commonplace in Indonesia trade, and the bank has put together counter trade packages worth up to £100m.

Lowty-Meco became the first UK company to win a deal in Indonesia under the counter-trade scheme, supplying £19m in mining equipment in ex-change for an equivalent amount of commodities. Samuel Montagu, the merchant bank, helped organise the deal and Citicorp handled the countertrade.

The big clearers are generally circumspect about how much turnover is being generated from countertrade.

National Westminster dis-National Westminster dis-closes that it is covering its costs and has, in two years, helped put together some £2bn in deals. Others decline to re-veal revenue figures, but all express frustration at the high "talk-to-action" ratio in counter-The trading community points out that countertrade advice is nothing new to the U.K. Said Mr Colin Comery, National Westmanster's countertrade commander: "We have been providing advice on countertrade for a long time, but in a far less organised way until now. The sudden surge in inquiries

Closes that it is covering to cost and has, in two years, helped put together some £2bn in deals. Others decline to retrade out that the high "talk-to-action" ratio in countertrade for a long time, but in a 20 inquiries coming in before a single deal is put together.

While there is coeffidence that

While there is crafidence that countertrade is here to stay for as long as the debt crisis remains, the trading community is concerned that the field may take on the aspect of the British travel industry—more people are travelling than ever but with so many tour operators in the business yields are tight and

Bankers point out, too, that while most inquiries are coming from the British business com-munity, the largest deals emanate from the banks overseas customers.

Comecon, Kleinwort was able to deals or confine their activities simply to the structuring of

> Of the UK clearers, only Midland with the establishment of Midland International Trading Services in Vienna, has shown it is prepared to take title

o countertraded goods. Some of the U.S. banks, such as Citicorp have been able to operate trading companies as a result of U.S. banking reforms

several years ago.

At the corporate level, Britain's main strength in countertrade is through its large companies such as ICI, the chemicals group, British Aerospace and the BL car company. Many of these companies have their own countertrade departments are are long accustomed. ments are are long accustomed to accepting goods in part pay-ment for exports. Co-operation between them and the big brokers, such as Metalleschell schaft, is a well-established fact

of trade life.
It is in the small and medium companies that there is a lack of trade expertise. One reason often cited is that in the UK companies are not required to be members of their chambers of commerce, whereas through-out most of Continental Europe

national companies are.

As a result, chambers in Europe have far greater infinence on their members and are repositories of advice on countertrade and other developments

To help close the gap, the UK Department of Trade last year published a guide for exporters, explaining countertrade, and its development, with brief analyses of national countertrade prac-

the information does not mean that the British Government condones countertrade but that it is obliged to serve the needs Customers, of British exporters. By the One unresolved issue is year-end, 10,000 copies of its whether or not hanks should act guide were distributed to the

# The gateway to countertrade

Vienna PATRICK BLUM

Europe's most strategic listen-ing post for East-West trade and countertrade is drawing an increasing number of companies to the Austrian capital.

Numerous international con-cerns have established offices there to take advantage of local expertise. The most recent new-comer is Standard Chartered Bank of the UK which epened a Vienna branch in December.

in Vienna announced it was expanding its East European department in response to growing demand from West German companies.

That demand for advice from West German companies has especially strong from small and medium-size concerns with little experience in the area or with countertrade, a device which plays a significant role in trade with Eastern

The chamber decided to expand its work in Vienna rather than Berlin, which already handles business with East Germany, because of the high degree of expertise avail-able in the Austrian capital.

Vienna is the most active of umerous Western European cities which have built up banking, broking and consulting expertise in trade with Iron Curtain countries. Other key centres are Zurich, Frankfurt, and more recently, Helsinki, all distinguished by their proximity to the Centralised economies to whom countertrade is such an important tool.

Vienna's advantages are that it is nearer the market, which is useful for contracts involving servicing, and East European nationals find it easier to travel to Austria than to other Western countries.

Herr Christian Heise, of the West German Chamber of Commerce, suggests that the diffihave encouraged companies to think that business with Eastern Europe could be done more easily from Vienna.

Many East European officials also seem to prefer dealing with VIENNA'S REPUTATION as Austrians with whom they are European and the seem to prefer dealing with a seem to prefer dealing with a seem to prefer dealing with the seem to prefer dealing with the

Austrians with whom they are more familian. This may explain why many West German companies do their business from Vienna,

The Vienna Chamber of Commerce makes considerable efforts to promote trade and always puts on an impressive display at East European trade fairs, organising meetings and recortions. receptions

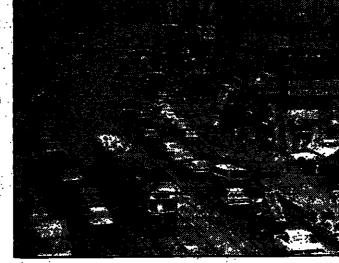
Herr Hejse warns that there are many pitfalls for newcomers A few weeks later the West to countertrade. Companies with German Chamber of Commerce out experience can often find themselves with serious pro-blems and this is particularly true for smaller businesses. In some cases exporters find they have accepted countertrade commitments which they can-not fulfill. "We have lots of people who ask for our help after things have gone wrong. after things have gone wrong.
We try to help them the best
we can but it would be better
for them to get in touch with us from the start."

Our advice to companies which have not done this sort of business before is to take advantage of the expertise that exists in Vienna. If they want to deal with Eastern Europe then they are well advised to get expert help for at least the get expert help for at least the for at least the form of the second statement in the second to deal with Eastern Europe-then they are well advised to get expert help for at least the first three or four years."

Standard Chartered agrees. As the first British bank with a fully fledged branch in Vienna, Standard Chartered hopes to use local expertise to help its own customers and members of the Standard Chartered group worldwide.

The branch will be "a window on Eastern Europe" and act as an Eastern European centre for the group, says Mr Norman Holden, director,

"We want to help countries within our network to develop their trade with Eastern Europe, especially these that have no formal relationship or dealings with Eastern Europe or the Soviet Union," he states. "Expertise in countertrade is



Austrian capital has led to the putting together of an increasing number of countertrade deals in Asia.

difficult to acquire as each deal is different. On the other hand, there are banks and companies in Vienna which have a particular expertise in this field and we hope to work closely with them," says Mr Holden.

Vienna.

Centro Bank, which is jointly owned by Banco di Sicilia of Italy, The Bank fur Arbeit und Wirtschaft of Austria, Bank Handlowy Warszawie of Poland and Kleinwort Benson of the UK, is one of the most successful countertrading houses in Vienna, handling deals all over the world.

In fact, it is the body of expertise built up in Vienna that is now giving it a strong position in putting together countertrade deals in other parts of the world, particularly developing countries in Asia.

Herr Christian Sperk, general manager for trading, says that this new found interest in what Centre Bank handles the largest is the world's oldest form of volume of countertrade business trade.

in Indonesia one of the most active of Asia's countertrading

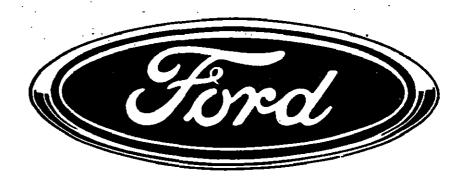
Pressure for countertrade is growing, including that from countries not previously involved in this type of business, he says. The greatest pressure just now seems to come from Malaysia where many companies have been told to include countertrade arrangements in their bids

The Malaysian Government has issued a document listing products for countertrade and setting out strict conditions for bank guarantees. In its present form the document is not really acceptable, Herr Sperk says, but he is bopeful that it will be amended.

The next few months should see the first large countertrade deal in Malaysia involving a private company and he says he is hopeful that Centro Bank will be chosen to handle it. More than 2,500 years after

the invention of money, barter is making a comeback. Vienna certainly hopes to benefit from

# **Une name** makes the countertrade package even better.



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organisations in the world. But did you know that Ford Tractor Operations does business on six continents, in more than 100 nations?

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tractors have been traded for farm commodities such as tobacco, hemp and bananas ...and industrial products like alloy steel gears.

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Brazil

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mutually beneficial counter-

- for different reasons - in

For a country like Brazil.

heavily dependent at the time

on imported oil and industrial

inputs, the debt crisis had left

with little recourse other than

Nigeria through this means could, meanwhile, secure guar-

anteed oil export contracts for

Strictly speaking, counter-trade —in the sense of cash-

ted by law in Brazil. Yet, para-doxically, for the past 12 years

the Government has actively promoted a straightforward countertrade scheme, in the

form of its Befiex export pro-

mainly manufactured goods through the granting of im-

Aimed at boosting exports of

to seek out, wherever pos

foreign exchange reserves.

Figuelredo Government

past few years.

month period.

# Importance of expert advice

HAWKER SIDDELEY Canada and cocoa. recently was awarded a contract by the Indonesian State Rail-

freight carriages.
The contract called for the wagons as well as spare parts.

Before the deal could gain purchase agreement equivalent to the full value of its contract for the purchase of Indonesian plywood, rubber, paper, textiles tually MG Services and those

last 15 years.

**Business** 

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Such are the intricacles of final outlet for the goods.

countertrade that the entire Because the contract deal involved separate negotia-tions between Hawker and Indo-The contract called for the nesian Railways, Hawker and supply of 259 coal wagons, 45 Indonesia's Department of flat wagons, and 75 sand ballast Trade, Hawker and MG Serwagons as well as spare parts. vices (whom Hawker contracted to take over the obligation to approval, Hawker was required buy and dispose of the counter-to enter into a counter- trade goods), Indonesian Rail-

billion

billion

200 billion

Because the contract contained a 50 per cent penalty clause for non-fulfilment, in this case \$10m, the deal points to the importance of any tenderer getting expert advice at the outset of any transaction involving countertrade. The following is a step-by-step description of the documentation exchanges that took ways and the Department of place and connected with the Trade, MG Services and the Department of Trade and even-

counterpurchase element of the Detailed agreement between MG Services and Hawker Sid-deley, under which MG Services agrees to take over counterpurchase obligation from Hawker if the Canadian company wins rail cars contract.

• Covering letter for letter of undertaking from Hawker to the Indonesian Department of Trade advising of the decision to assign the counterpurchase obligation to MG Services. • Letter of Undertaking from MG Services to Department of Trade specifying in detail the

disposition of the countertarade • Assignment Agreement be-tween Hawker and MG Services formally completing the counterpurchase transfer obligation. • Notice of consent from Department of Trade to Hawker approving the assignment agreement.

from Department of Trade to MG Services formally acknowledging the latter's role as principal in disposition of crisis which hit both countries countertrade goods.

• Annex B to notice of consent from MG Services to Department of Trade confirming role as principal and confirming compliance with provisions contained in the Letter of Within this exchange of

trading arrangements which would minimise the cost to correspondence are contained numerous protective clauses for both the Department of Trade and MG Services. For example, in the letter of undertaking, MG Services states that "if during additional volumes of crude the course of performance of at a time when the oil mari at a time when the oil market was fast deteriorating. our obligations . . . we should be of the view that sufficient products either are not available or are not of suitable export quality or internationally competitive in price, you shall, at our request, review with us the actual circum-

In Annex A, the Department of Trade points out that the gramme countries of destination for the Aimed countertraded goods be as specified, as well as other countries "provided your counterpurchase shall not cause has brought handsome rewards any friction in the respective to the country's balance of paydestination, nor cause any fric- ments. To date it has generated tion with existing trade activi- a a net trade surplus o U.S.\$47.1bn. It has also, incities by Indonesian traders,"

the International Monetary Fund (IMF) - under whose supervision the Brazilian economy remains — and by the "PARTNERS in Trouble" was the apt slogan coined by Cotla General Agreement on Tariffs Comercio Exportacao e Imand Trade (Gatt) — of which Brazil is an active member portação SA, Brazil's leading trading company, to label the its pursuit by Brazil is cur-rently flourishing as never

facturers' viability in Brazil.

like for countertrade shown by

trade relationship Brazil has built up with Nigeria over the In addition to the specific case of the Befiex programme (which undoubtedly restricts the scope for normal, free com-Last August Cotia, acting on a U.S.\$500m contract with falls into three major cate-Nigeria. In return for higher Brazilian liftings of crude oil it is to ship a diversified with the companies of crude oil of the companies of crude oil it is to ship a diversified with the companies of the behalf of the Brazilian Govern-

most East European nations, notably Romania, Hungary, Bulgaria and East Germany. But after the Polish debt crisis, it is to ship a diversified range of manufactured goods and basic necessities over a 12-The contract is going so well says Sr Roberto Fouseca, vicewhich left Brazil with about U.S.\$1.7bn in blocked official

president of the Sac Paulo-based Cotia group, that the annual value is expected to reach nearer U.S.\$700m. Morecredits, this is a declining area To make headway into markets which have a limited capacity for absorbing the sort of goods Brazil wants to sell, over, he sees no reason why the recourse is frequently made to elaborate triangular operations. deal cannot be renewed annually for the foreseeable future.

#### The pairing of Brazil and Nigeria in a relationship of Transformed this sort is a natural conse quence of the external liquidity

For example, Companhia Vale do Rio Doce, the state-controlled mining company, recently sold iron ore to Romania in a transaction which involved Interbras trading arm of the Brazilian state oil company, buying Romanian manufactured goods for sale in third country markets. Payments were channelled through Brazil where "clearing account dollars" were trans-formed into "free dollars." Reciprocal credit conventions arranged under the auspices of ALADI, the Latiu American inter-governmental trade associ-ation. These operate through

compensation accounts settled quarterly at meetings of the gion's central banks. Inter-regional trade is still relatively small in Latin America But, with the active support of multinationals' local

subsidiaries, it could be a fastgrowing area for countertrade

General Motors do Brasil is mrently in negotiation with enezuela, for instance, for the import of vehicle components in return for Brazilian CKD bras, the Brazilian old giant. future are China vehicles. There is also talk of Oil contracts with other Gulf where Cotia is about diversifying into the import countries, such as Saudi first trading hous from traditional Latin Ameri- Arabia, the United Arab Brazilian company.

Despite the well-known dis-

The advantages of such operatain a market presence at a time when many Latin Amerition, they have the benefit of not involving any payment risks or additional "exposure" for the parent companies in the U.S. or elsewhere, because of the reciprocal credit arrange-

• Bilateral agreements with Brazil's oil suppliers, both Opec category has produced the most expor spectacular deals over the past year. year, involving Angola (vehicles and engineering services), Nigeria (everything from sugar to chemicals, paper and machinery), and Iraq (vehicles, food and engineering services).

Flourishing as never before

Payment arrangements are commonly made through Escrow accounts held in the U.S. or Western Europe, usually in branches of common banks. Contracts are denominated in U.S. dollars and are kept separate, although performance and term are naturally linked.

This variety of countertrade has undoubtedly produced the best results. Recent examples are the December 1984 \$630m agreement between Volkswagen do Brasil and Iraq, and the \$750m agreements several \$750m agreements several Brazilian companies, led by Norberto Odebrecht, a leading contractor, signed with Angola in November.

But it has also produced the highest rate of collapsed deals. A major sugar-for-oil pact between Brazil and Venezuela fell apart in September 1983. The Venezuelans had become discontented over being locked into fixed value purchase agree ments for sugar at a time when its world price was declining

Countertrade arrangements with revolutionary Iran have also had a chequered history. For this the Brazilians blame Iran's inabity to guarantee oil supplies as agreed as well as disrupted transport attange-ments resulting from the Gulf

Despite initial high hopes on both sides of the market scope of this trade mechanism, lift-ings of crude from Iran are believed to have been temporarily suspended by Petro-

dentally, become the mainstay can markets of non-related Emirates and Qatar, have also of several multinational manugoods such as air conditioner been either cut of dropped because of these countries intions are clearly that they main- a set volume of Brazilian goods and services in return.

tain a market presence at a time when many Latin American countries are severely squeezing all imports. In addition, they have the benefit of chase can be made. It then leaves Interbras to identify and suppliers :

procure Publicly, the Petrobras target is to offset as much as half Brazil's total oil imports in this fully, this alone could generate over U.S.\$3bn in additional export revenue for Brazil this

pragmatic Brazilian The pragmaca.

Government adopts a case-byto countertrade case approach to countertrade deals. And it has strongly encouraged offset purchases in the case of the import of high value case of the import of high-value capital goods such as air-craft. Boeing and Highes of the U.S. are both believed to have participated in such deals.

#### Major exception

Arms are a major exception the countertrade products So too are traded agricul-d commodities, except tural

sugar. But with these exception rtrade has rapidly diversified in Brazil over the past two and markets Interpress tradi tional strength has been in the Middle East and North Africa But, according to Sr Paulo Sergio Cerveira Lelte, its countertrade manager, a break-through into the Scandinavian market is in sight, in a deal in-volving the purchase of ships.

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HOUR NEW YORK

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Countertrade today represents over 10 per cent of the state company's global revenues (U.S.\$2.8bn in 1983).

Cotia also report a sharp in-crease in this type of commerce, but Sr Fonseca believes its duration could be temporary. Perhaps another four or five years," he says. In the meantime, Malaysia

has been targetted as one par-ticularly promising market. Brazilian tractors, steel tubes, paper and chemical products are likely to be sold in exchange for natural rubber and oil under a deal said to be at an advanced Other good prospects for the

future are China and Japan, where Cotia is about to open the

## Computers come to fore on both sides of Atlantic



Mr Maurice Webb, managing director of Batis. Most of the company's business related to information services and consultancy comes from the UK, while the majority of inquiries on credit exchange come from abroad

TWO COMPANIES, one in London and one in Boston, are using computers to make sense out of the welter of information coming to light about potential countertrade deals.

Their information bases contain detailed trade regulatory information on a growing list of countertrading nations, in the UK case 40 nations and, in the U.S. example, 34 nations.

Their clients can gain access to the database or can be matched" on computer with potential trade customers through the use of such systems as Prestel in the UK and I. B. Sharpe in the U.S.

The London-based facility was formally launched last autumn by Batis International Business Services, which is headed by Mr Michael Chapman, chairman, and Mr Maurice Webb, managing director. Its full time staff of researchers and managers now numbers 20 with an additional 30 part-time personnel based in London and abroad. As Mr Webb explained, Batis

#### Barter **Organisations**

FRANK GRAY

has actually been in operation since 1983 but did not decide on an official launch until last year when it had built up a sufficient database to be meaningful to a wide range of customers.

The idea, he explained, was "allow subscribers to meet on computer, to make known their needs and expand their business activities rapidly and efficiently.'

Batis Services is structured along three lines; information service using both the computer database and printed country profiles; countertrade consultancy aimed at helping customers put together specific deals; and an innovative credit exchange. Under the exchange, credits are built up by an importer who, for one reason or another, has not been able to use them through reciprocal exports. Having established a credit in the client nation, he then sells it to other parties who might be able to capitalise

Most of Batis business, related to the information services and its consultancy, comes from the UK. The majority of the inquiries on the credit exchange service are coming from abroad Banks with offices in London have used Batis in some 25 deals, and 14 banks are now regular customers.

In Boston, World Trade Data Systems was set up in 1983 by Mr Eric Skoug. Its database and organisational structure is generally similar to that of Batis. It also has set up a countertrade hot line telephone service operated, says Mr Skoug, by specialists with up to 15 years experience in

World Trade Data System publishes a quarterly report, Countertrade and Barter International, and thereby joins a growing number of media groups such as Euro Money Magazine of the UK and Metal Bulletin of the U.S. in publishing information.

Like Batis, World Trade Data general trade information. Its database has been expanded to surpluses of manufactured goods and commodities around the world and it registers suppliers of industrial spare parts in various countries.



line in San Paulo, Brazil In December last year an agreement worth US\$30m was reached to countertrade Brazilian - built Volkswagens with Iraq. This fellowed closely on the heels of November's US\$750m countertrade deal between Angola and several Brazilian companies led by Norberto Odebrecht, one of the country's major contractors.

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Further details from: Cathy Pinker, London Business School, Sussex Place, Regents Park, London NW1 4SA



Here.

ajor exception

## SECTION II - INTERNATIONAL COMPANIES

# FINANCIALTIMES

Thursday February 7 1985



siderably to costs, may have seri-

aircraft and reduced its lead over

competitors.
Changes to the design forced by

The light weight, fuel-efficient de-

William P. Lear, a leading U.S. avia-

tion innovator. His family and asso-

in return for jobs in Northern Ire-

1982 and the venture was rescued

by the Saudi-led consortium

**First Boston** 

In December, with more than ously damaged market prospects \$200m already spent on develop- for the eight to 10 seat executive

ther substantial, but undisclosed, the discovery of weaknesses in the

sum to take the aircraft through to carbon-fibre structure have added

production. The projected size of to the weight and reduced the fore-

the project was scaled down, with cast performance of the aircraft.

# Sears, Roebuck profits fall in Christmas quarter

BY PAUL TAYLOR IN NEW YORK

SEARS, ROEBUCK, the world's 1983 final quarter. Revenues in year it totalled \$221.2m, against creased by 5.1 per cent to \$11.37bm \$86.8m in 1983. lower fourth-quarter net earnings. It blamed the decline on an excep-tionally competitive Christmas shopping season which reduced profits in its merchandise division. Sears' merchandise group reported fourth-quarter net income of \$446.5m, compared with \$460.9m a weather, surprised Wall Street, year ago, on revenues which in which had been looking for a slight year ago, on revenues which in-creased to \$8.18bn from \$7.95bn.

since the final period of 1981. The Chicago-based group also confirmed that Dean Witter, its Wall Street securities subsidiary and part of its expanding financial services business, suffered a \$3.9m loss in the fourth quarter and reported a \$32.7m loss for the full

The downturn marked the group's

first quarter-on-quarter decline

Sears said fourth-quarter net income fell by 3.4 per cent to \$563.1m, quarter net capital gains and other reflected the sale of shopping centres as a share, against the record income totalled \$45.9m, compared tres and improved commercial real \$582.7m, or \$1.65, reported in the with \$30.3m a year ago. In the full

from \$10.82hn.

cline, which Mr Edward Telling, chairman and chief executive, said reflected "one of the most competi-

earnings gain. Sears' stock fell 25 cents to \$35 a. share after the results announce-

Despite the quarterly earnings decline, Sears posted an 8.4 per cent increase in net earning for the full year. Net earning last year increased to a record \$1.45bn, or \$4.01 a share, from \$1.34bn, or \$3.80, in 1983 on revenues which increased from \$35.88bn to \$38.83bn.

Mr Telling said the merchandise The fourth-quarter earnings de insurance and real estate groups established records in net income and revenues for the full year. The merreflected "one of the most competi-tive Christmas shopping seasons in history and unseasonably warm increase over the \$781.4m reported in 1983 on revenues which rose by 5.7 per cent to \$28.51bn from

Among Sears' other major operations the Allstate insurance group increased full-year earnings by 19 per cent to \$660.7m from \$555.1m on revenues which grew to \$8.99bn

The Coldwell Banker property group posted full-year earnings of \$75.8m on revenues of \$825.7m, against earning of \$48m on reve-Sears said that in the fourth nues of \$703.5m in 1983. The gains

# Armco \$295m loss increases three-year deficit to \$1.3bn

BY OUR NEW YORK STAFF

ARMCO, the diversified U.S. steel The group said that on the basis The results reflect the wide-rangand oilfield equipment group, yes- of its continuing operations, the ing reorganisation of the company 1984 of \$295m, but warned that this \$135.6m, compared with a loss of of disposals, last year, the company "preliminary" figure might change pending a final evaluation of provisions against the sale of discontinu
\$496.7m in 1983, while sales reached realised a gain of \$172.5m on the sale of its West Virginian coal opersions against the sale of discontinu
In the fourth quarter, however,

equivalent of \$4.55 a share, was of \$64.8m against a profit of \$40.4m. earnings against its oilfield equip-down sharply from the \$672.5m deficit, or \$10.26 a share of 1983, the results mean that Armoo has run up a against a deficit of \$46.5m, or 73 its financial services busi total deficit of \$1.3hm in the last cents a share. Sales for the quarter which also ran up a \$44m operating

National Can

drops buyout

NATIONAL CAN, the third largest

U.S. packaging group, said that a

Can managers. The comny said this week it was explor-

alternatives to maximise the long-term interest of its sharehol-

By Our Financial Staff

the results from continuing opera-Although the year's loss, the tions were sharply down, at a loss creased to \$64.5m, or \$1 a share, provision for a loss on disposal of were up only marginally at \$1.1bn. loss.

terday announced a net loss for loss for the year amounted to that has resulted in a steady stream

It also took a charge of \$205m to

## TransCanada boosts net earnings and turnover

BY BERNARD SIMON IN TORONTO

from NVF, a company owned by Mr. Victor Posner, the U.S. investor. C\$252.5m (\$189.8m), or C\$2.41 a The merger, first proposed last share after extraordinary items, in Domestic utility sales advanced 1984, from C\$228.1m, or C\$2.13, a by 11 per cent to record volumes, March, would have involved an ingroup that included some

Transportation System, in the wake exports. Can's chairman, forecast 1984 earnings of about \$4.20 a share.

TRANSCANADA PipeLines, the 1983 to C\$4.23bn. Funds generated Canadian pipeline operator and en- by operations and equity investyear to C\$453.8m.

The company set aside a special a third. The company said export provision of C\$13.4m last year to sales were likely to continue rising cover its investment in the Alaska this year after a relaxation of price segment of the Alaska Natural Gas controls on Canadian natural gas

of uncertainty about the short-term TransCanada PipeLines owns and operates Canada's main natu-

**Pepsico** may sell sporting

#### The U.S. Federal Aviation Administration (FAA), which grants summer it mothballed its two factoan airworthiness certificate, has ries near Belfast and made 320 peomanufacturer, Western Gear of Cal- ciates persuaded the British Govasked for a further 200 hours of ple redundant until production ifornia, to rectify the fault. Howground tests on the gearbox once could start. The British Government has the problem has been resolved. series of technical setbacks that land, but they ran short of cash in committed more than £52m Lear Fan said in Reno that the have dogged the aircraft's developneed to conserve funds had forced it (\$57.7m) since 1980 to the attempts BTR wins banks' promise of

LAYOFFS AT NEVADA PLANT AFTER TEST FLIGHTS DELAYED

when it will start recruiting a new

BTR, the broadly-based UK con- weaken their unequivocal support glomerate, yesterday achieved a for the new board, headed by Sir breakthrough in its £33m (\$37m) Michael Edwardes, which they intakeover hid for Dunlop when it stalled in November. reached agreement with the tyre and rubber group's main bankers that they would continue to finance the company if BTR gains control.

rear-mounted propeller.

This agreement means that the banks, headed by Barclays and National Westminister, have moved to a neutral corner while Dunlop's board fights to retain control of the

BY WILLIAM HALL IN NEW YORK

ties of £260m to Dunlop.

BTR said yesterday that the arrangements reached with the banks "will introduce a greater amount of new cash to Dunlop than the reconstruction plan provides."

The £142m refinancing package announced in mid-January provides for the injection of £27m-worth of new capital by existing shareholdcompany.

BTR has been lobbying the banks ers and new institutional investors three weeks ago in an effort to of bank debt into equity. The banks

Bass brothers take stake in McDermott

sion (SEC), was made amid specula-

ment, members of the Saudi Arabi-

an royal family, who control 85 per cent of the company, injected a fur-

Ireland cut form 2,800 to 1,100.

ployment target in Northern

Lear Fan's engineers are working

in conjunction with the gearbox

BTR and Dunlop's bankers de-clined to give details of the agree-ment. It is believed, however, that BTR has had to reduce or drop its proposal that the banks take up £100m worth of its preference

The banks' financial support is essential for Dunlop's future but they are anxious not to be seen to be overriding the wishes of the company's shareholders, who were since it launched its bid nearly and the conversion of £70m worth to have voted on the reconstruction

#### ahead for support if Dunlop bid succeeds final quarter

FIRST BOSTON, the Wall Street securities firm, finished 1984 with net income marginally down at \$79.6m, or \$6.22 a share, compared with \$80.2m, or \$6.63. This was despite a 19 per cent advance in the final quarter to \$23.94m from \$20.04m

a year ago. Revenue for the latest quarter improved 32 per cent to \$156.9m from \$118.7m, taking the full-year total 10 per cent higher to \$565.9m,

compared with \$515.4m. Mr Peter Buchanan, president and chief executive officer, said many areas of the firm showed substantial increases in revenue. He was optimistic that the momentum

of the fourth quarter would carry over into 1985. The firm's merger, acquisition and divestiture business continued to set records in terms of number of transactions and revenues during 1984. The equity operation showed a substantial increase in overall

market share and fixed income trading activity increased over 30 per cent from the previous year. Also income from the partnership with Financière Crédit Suisse-First Boston was a record.

Capital funds for First Boston

Further setback hits Lear Fan BY OUR BELFAST CORRESPONDENT THE DEVELOPMENT of the Lear to lay off 100 of the 175 workers goods unit Fan carbon-fibre aircraft, which is there. It estimated that the certifi- land. to be manufactured in Northern Irecation programme would be put land with substantial British Govback by about three months.

ernment backing, has been delayed By that stage, FAA experts PEPSICO, the U.S. soft drink and A fault has been detected in the craft through flight tests with a gearbox of the turboprop aircraft view to awarding final certification food group, appears to have given up hope of turning round its loss-making Wilson division, the leading during tests at the company's U.S. for its 41,000 ft ceiling by January facility near Reno, Nevaua. Line begin. lightweight aircraft is powered by begin. The company is unable to say

U.S. sports goods manufacturer, and is studying its possible sale. Wilson, which prides itself that every point scored in the U.S. Netional Footall League since 1941 has been with its footballs, has had an erratic earnings record since Pepsi-co acquired it in 1970. In 1982, its operating profits peaked at \$19.2m. The next year it lost \$11.2m, and in 1984 it lost another \$16.7m on reve

Last year Pepsico put a new man agement team into Wilson, wrote off \$54m goodwill and restructured its distribution system. At the same time it closed some domestic facilities and began buying overseas.

Now, however, Pepsico says the cossible sale of Wilson, combined with its withdrawal from the trans portation business announced earlier, would allow the company to better focus resources on its highlyprofitable beverages, snack food and food services businesses. After taking in the previously announced restructuring charge of \$138.3m in 1984, Pepsico earned

\$212.5m last year, or \$2.25 per

share, compared with \$284.1m, or \$3.01 in 1983.

#### Higher sales for leading U.S. vehicle makers

By Terry Dodsworth in New York THE BIG three U.S. motor companies last month registered near-re-cord vehicle sales.

Total car shipments by General Motors, Ford and Chrysler amounted to 603,000 units, 9 per cent up on the 553,300 sold in January last

Commercial vehicle sales rose even further, by 24 per cent to 269,000 units, with both GM and Ford setting records for the month. In the car sector, Chrysler achieved the biggest advance, with units. The group's commercial vehi-cle sales, which include the Miniv-an launched last year, soared by 42

per cent to 47,000 units. GM car registrations amounted to 367,000 vehicles - a 2.4 per cent increase on 1983 and the best total

cent to 150,800 units, while its truck

gy services company based in New Orleans. The Texas family have been in and out of McDermott shares on several occasions

worth over \$1bn, have taken an effective 5.3 per cent stake in McDertion on Wall Street that a new bout mott International, a leading ener-of mergers was about to sweep through the depressed U.S. oil sec-Unocal shares have been the

shares on several occasions frontrumners in the takeover ru-The Bass brothers' stake in mours, but speculation that compa-McDermott's warrants, which nies as big as Mobil Oil might be dervalued assets.

THE BASS brothers, the wealthy emerged in a filing with the U.S. vulnerable to takeover has buoyed Texas family which is said to be Securities and Exchange Commisum share prices at a time when their up share prices at a time when their earnings are weak. McDermott in common with

Whatever the problem.

many companies in the energy business, has been hit by the slump in the oil services industry. Analysts said that the Bass brothers' move is in line with their reputation for investing in companies with un-

were \$648.9m at December 31 1984,

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E TOWNSON WIN TO

100 Old Broad Street,

Sales to

banks lift

turnover

at Nixdorf

NIXDORF, the West Carman

data processing company boosted its sales revenue by

21 per cent, to DM 327bn (\$1.2bn) last year and said that

profits, so far undisclosed were well above the previous

public last year with a DM 550m share sale is pressing

Nixdorf said that its sales to

banks and retailers were parti-

West Germany and abroad

cularly buoyant last be

The company, which went

By Our Frankfurt Staff.

# Restructuring continues to boost profits at Enka

Dutch Akzo chemical concern, has strongly increased its profits on growth sectors, such as for the second year in succession as it reaped the benefits of major restructuring measures. Dr Hans Guenther Zempelin. the chief executive, said net profits for last year should amount to about DM 200m (\$62m), more than double the 1983 earnings of DM 91m. Con-

solidated group sales were up a

sturdy 16.6 per cent to

A realistic

look at the

U.S. dollar.

its plant and concentrated more industrial fibres.

Dr Zempelin said Enka's textile fibres business returned to profitability last year, but there were still some weak areas, especially in warp and west knitting.
As part of its modernisation.

Enka will invest DM 220m during the next few years in new technology for production of its Diolen flat polyester yarn at Oberbruch, near Aachen. This Enka incurred a heavy loss of DM 314m in 1980, but cut the deficit back to DM 20m in 1981 and DM 26m in 1982 as it pressed ahead with a new corporate strategy.

A Constituent, near Acceler, this would make Oberbruch the biggest and most efficient polyester yarn plant in Europe, with almost complete automation of production and handling. Dr. Zemnelin said Dr Zempelin said.

With the West European man-made fibres industry suffering determined to strengthen its from over-capacity and rising position in industrial fibres,

ENKA, the West German-based costs, Enka has shed loss-making which make up nearly half its man-made fibres division of the products and works, modernised sales Dr Zempelin said profits last year were helped by excep-tionally high earnings of DM 30m at Barmag, its machine-

making subsidiary, which boosted sales by more than 30 per cent to DM 580m. He said Barmag expected considerable orders from China during the next few years as a result of a contract signed last year to help the Chinese set un

a factory. • Porsche, the West German sports car maker, propos sports car maker, proposes a dividend of DM 8 per DM 50 par-valued preferred share, its first payout since becoming public in March last year with a nominal DM 60m (\$18.6m) Porsche posted net profit of DM 70m for the fiscal year ended July 31 1984.

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## **Gambro** to cut workforce by 10%

By David Brown in Stockholm Gambro, the Swedish manufacturer of kidney dialysis machines which was recently taken over by the Sonessons light engineering group, is to cut its staff and reorganise its research and development activities. The move comes amid concern that full-year 1984 results may be well below earlier revised fore-

> Gambro will cut its workforce by nearly 10 per cent, or 200. The cuts will mainly affect white-collar administrative personneL

The company branch off its company plans to off its long-term immuno therapy research and development programme into a new company, in which both it and the Sovesson sub-sidiary, Leo-Ferrosan, will have a one-third stake. It will pursue cancer research among other things.

While the staff reduction primarilly has been billed as a cost-cutting exercise, there is also understood to have been resistance among older employees to the new Sonessons management.

Gambro does not expect cuts in research and development or in its production facilities and international sales organisation, but seeks to achieve a "better balance between long- and short-term development projects."

The measures will save the

company an estimated SKr 85m (\$9.2m) a year by the end of 1986, said Mr Berthold Lundquift, who was moved in as the new managing director by Mr Haus-Erik Ovin, the Sonessons' chief, following the takeover last October.

grade its forecast twice last year. However, it seems likely that weak sales will bring pre-tax earnings well below the SKr 80m revised forecast of late 1984.

Sonessens paid SKr 800m for a 57 per cent stake in the proportionate growth in over-heads white decline in profits to the disheads while Gambro scrambled to keep pace with its earlier success.

Gambro was also hit by pro-

duction problems in a changeover to a new range of dialysers, for which it holds a

The newly formed partner-

ship, Filmnet Pay Television Nederland, will be the first—

and perhaps only—pay-TV com-pany to launch operations when

its programming begins March

29. Pay-TV is to start up in the Netherlands in April.

# Jeumont-Schneider to axe 1,190 power sector jobs

Jeumont-Schneider

JEUMONT-SCHNEIDER, French specialised engineering electronics announced yesterday a major from abroad-cut in the workforce at its Jeumont-Schne heavy electrical and nuclear division because of the worldwide decline in new orders for power generation equipment.

a subsidiary of the privately which also manufactures tur-owned Empain-Schneider con-glomerate, said that it would be by the flagging international shedding 1,190 jobs in the market for hydroelectric heavy electrical activities of normal in France, the group the group contributed FFr 1.1bn hopes to cut its workforce

division, or about a third of power stations.
the current workforce of 3,045,
over the next three years. The will be shed this year. As is

(\$111.5m) last year to a consoli- largely through voluntary de-dated turnover of FFr 6.15bn. partures, early retirements and dated turnover of FFr 6.15bn. partures, early retirements and The planned cut in the work repostings to other activities in force is blamed on the slowing the group. But some 700-800-

the down of the French nuclear pro- people are likely to be made

gramme as well as the dearth redundant. The group said yesterday that the workload in the heavy elecof nuclear power plant orders trical and nuclear division was 45 per cent down on 1982. supplier of key nuclear com-Jeumont-Schneider,

ponents-including primary also manufactures telecommunipumps and control rods—to Framatome, the French nuclear cations and railway equipment, Jeumont-Schneider, which is power group. The division, made profits in 1983 of subsidiary of the privately which also manufactures tur- FFr 78.3m on a turnover of wned Empain-Schneider con bines, has been badly hit also FFr 5.2bn. Though it has not yet announced results for 1984, it expects that net earnings will be down on the year before. This reflects in part the cost of rationalisation plans aiready underway and heavy losses run up by its subsidiary, Brisson-neau et Lotz Marine, which manufactures cranes and lifting equipment used on offshore oil

well as its business with small and medium-sized companies. The order book at the sm of the year was 22 per cent ahead of a year earlier at DM 2 29hr.

DM 3.290n.

With its sights set on fact growth, Nixdorf increased its investment by 30 per cent in more than DM 400m last year, while research spending was up more than 20 per cent at DM 400m. DM 310m. It has expanded production capacity at plants at Paderborn

and Cologne in West Germany, as well as at Toledo in Spain. It envisages a further increase in production capacity at plans in Berlin, Paderborn, Bray in Ireland and Singapore.

With the stock market launch and the associated capital increase Herr Heinz Nizdorf, the founder and chief executive, set himself the targer of doubling the group's 1983 sales revenue of DM 2.75n in four

#### B & O warns income target may be missed

By Hillary Barnes in Coper BANG & OLUFSEN, the Denish TV and audio equipment manufacturer, reduced losses in its first-half to November 30. But it warns that the forecast Kr 20m (\$1.7m) pre-tax profits for 1984-85 may not be achieved. If so, this would be the second year that B & O has failed to meet its forecast. Increasingly tough competition and lower earnings from the UK, owing to the depreciation of sterling are First half sales were 20 per cent ahead to Kr 783m. Sales of audio products rose 27 per cent and video products by 13

## Gotthard Bank plans expansion affiliation of Gotthard Bank to of a Swiss portfolio-manage-

GOTTHARD BANK, of Lugano, in which Sumitomo Bank acquired a controlling interest last July, is planning to expand its activities. Dr Fernando Garzoni, the

chairman, said the take-over bad opened "new operating dimensions in the development of traditional activities and the realisation of new projects."
In the preceding two years, he said, a number of plans had been postponed which could now be continued with. The hold-up arose out of the former

Brazil bank's

growth below

inflation rate

By Ann Charters in San Paulo

BRADESCO, BRAZIL'S largest

private commercial bank, lifted

age exchange rate for the year).

Even so, in real terms, earnings

failed to keep pace with Brazil's

inflation which reached 223.7

The dividend for the 3.4m

programmers received permission from the ministry to oper-

ate but since then virtually nothing has been heard from

per cent for 1984.

share.

affiliation of Gotthard Bank to
the Ambrosiano group in Italy.
Dr Garzoni said the bank now
foresaw the establishment of
new representative offices
abroad, perhaps in London and
New York. Already it has a subreddiene in Nessau broades.

The bank's balance sheet'
to over SwFr 4.14bn (\$1.5bn)
in 1984. Dr Garzoni said, but in
future the stress would be prireddiene in Nessau broades. sidiary in Nassau, branches in Nassau and Luxembourg and a representative office in Frank-

Gotthard Bank is also studying the possibility of an acquisition. No projects have yet
reached a concrete stage, but
this could mean the take-over ings to SwFr 29m.

## French state airline hit by high-speed train link

BY DAVID MARSH IN PARIS NET PROFIT at Air Inter, the

French state-owned domestic airline, plunged to FFr 1m earnings by 214 per cent to Cr 433.2bn (\$237m at an aver-(\$101,000) last year on turnover of FFr 5bn. This was a sharp reverse from the FFr 20m profit on sales of FFr 4.7bn in 1983. The company, which trans-ported 10.2m passengers last year, 2.2 per cent more than in 1983, said it was stepping up promotional efforts to win back

which itself involves MCA/ Universal, Paramount and

MGM/UA, all of the U.S. Filmnet is a joint venture

shareholders was Cr 1.80 per travellers from France's suc-cessful high-speed train linking During the year, the bank Paris with the continued its expansion plan of the country. Paris with the centre and south opening 87 new branches, bring-

VNU AND FILMNET, the Television programming TV but its main financial that is active in European cable. Netherlands's two leading paystelevision companies, have agreed to merge their operations and thereby secure a near monopoly in the market, The newly formed partner.

Television programming TV but its main financial that is active in European cable. TV.

VNU will have a 40 per cent and istry and then find a willing joint venture between the international a 20 per cent stake. Filmnet 40 per cent stake in European cable. TV.

VNU will have a 40 per cent tank is active in European cable. TV.

VNU will have a 40 per cent and international a 20 per cent stake. Filmnet 40 per cent stake in European cable. TV.

MGM/UA,

Besides VNU's pay-TV subbetween Houwer, the Dutch film has been the sidiary and Filmmet, the other producer, and Esseite, the proof decode prominent company was Euro Swedish publishing company programmes.

M Pierre Eelsen, the chairing the total up to 1,532, throughout the country. man, said business traffic held vice was, in fact, quicker than up well last year but the the train.

number of private travellers who make up about 40 per cent of Air Inter's sales—declined in

marily on non-interest business off the balance sheet.

Gotthard has already announced a SwFr 21.2m one-

the second half of the year. Overall load factor was little changed at 64.7 per cent, against 64.3 per cent in 1983. The Paris-Lyon route, one of the company's most active services, registered a 35 per cent drop in traffic last year from 1983, as a result of the high-speed train competition. M Eelsen said he hoped the company could recover ground on this link once passengers

were assured that the air ser-

Major force created in Dutch pay television

SUARANTEED FLOATING BATE NOTES DUE APRIL 1989

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The potential market is about 1m subscriptions VNU esti-

and im subscriptions VNU uses. One of the biggest imenture pediments for pay-TV concerns
the film has been the lack of piratedecoders for reception of

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When the leading participants in the world's

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in the international bond and syndicated loan	Eurobonds	, .:
markets—"ine best house for introducing suc-	Rank	Votes
cessful new techniques"—Morgan ranked first	1 Morgan Guaranty	96
in both areas.	2 Credit Suisse First Boston	71
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chant bank, (which) may explain some of its	4 Merrill Lynch	47
inventiveness," Euromoney wrote in its com-	5 Morgan Stanley	24
mentary on the poll results. "It tends to see the	6 Orion Royal	. 8
securities business from a company's point of	Swiss Bank Corporation	8
view; its corporate finance officers estimate	8 Manufacturers Hanover	· 6
how the bank's forex, swap and Eurobond	9 Citibank	5 5 5 5
capabilities can minimize costs and meet the	Morgan Grenfell Samuel Montagu	5 5
particular needs of the client company."	Smith Barney, Harris Upham	5
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ting our uniquely comprehensive set of capa-	1 Morgan Guaranty	48
bilities to work for the long-term interests of	2 Citibank	. 45
our clients.	3 Chase Manhattan	27
As a major participant in the capital,	4 Samuel Montagu	., 15
credit, and local currency markets, as well as	5 Credit Suisse First Boston	11
in worldwide foreign exchange, government	6 Bankers Trust	9
bond, and bullion markets, we have excep-	7 Merrill Lynch	6
	8 Bank of America	5
tional opportunities for exploiting intermarket	Manufacturers Hanover	5
arbitrage for the benefit of our clients in inno-	10 Chemical Bank	4
vative ways.	Lloyds Bank International	4
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## INTERNATIONAL COMPANIES and FINANCE

David Dodwell on an act of faith by a Far East businessman

## Mr Li's Hong Kong power play

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picked up the ringing telephone in his penthouse office. On the line was Mr Siman Keswick, head of Jardine Matheson—the territory's most venerable territory's most venerable "Hong"—and of Hongkony Less than 16 hours later, Hong Kong's largest ever corporate deal had been sealed.

corporate deal had been sealed. Hutchison Whampoa, Mr Li's trading, shipping and property group, had agreed to pay HK\$2.98bn (US\$372m) for the debt-strapped Land's 33.8 percent stake in Hong Kong Electric, one of the Colony's two power utilities.

In the two weeks since the agreement was reached, Mr Li has carried out a wholesale re-

agreement was reached, Mr Li has carried out a wholesale reshuffling of the Hong Kong Electric board, and has sold a 22.6 per cent stake in Cross Harbour Tunnel for HK\$255m. The deal speaks volumes about the man from Chiu Chow, in the neighbouring Chinese mainland province of Guangdong, who began his business life 30 years ago—with hardly any money and little formal education—making combs and

any zioney and little formal education—making combs and plastic soap boxes. By taking the Electric stake, Mr Li has shown confidence in the future prosperity of Hong Rong as it emerges from two years of extreme political un-certainty. Many business leaders have talked grandly of a revival of confidence, but few have so far been willing to use

Ly Kashing's business empire, built around the property group Cheung Kong, is now the largest in Hong Kong. The largest of his publicly quoted companies account for about 18 Kong's leading stock market indicator, the Hang Seng Index.

The Hong Kong Electric deal after the unexplained resigna handling subsidiary, Hongkong tign of three directors last International Terminals, will in autumn. The hew Chief exects the amonths: ahead decide whether or not to invest HK22bn developing a new consequence of his publicly quoted companies account for about 18 Matheson.

Its cash mountain of the French HK22bn developing a new consequence of the value of Hong Kong's leading stock market indicator, the Hang Seng Index.

The Hong Kong Electric deal

indicator, the Hang Seng Index.

The Hong Kong Electric deal gives Li control of a sound and stable utility company which has a monopoly of electricity supplies on Hong Kong Island and boasts steady if unglamotous growth. The bargain price of HK\$6.40 a share—about 10 per cent below the market price for Electric shares at the time of the deal—is likely to look even better if Hong Kong's stock markets move ahead over 1985 as predicted.

stock markets move ahead over 1985 as predicted.

For Hongkong Land, struggling to service debts of about HK\$14.7bn at the end of 1984, the deal has brought much needed relief. Mr Keswick said after agreement had been reached: 'The company is no longer under seige." Within days, Land announced it was pressing ahead with the third tower of its showpiece Exchange Square development. This HK\$750m project had been in jeopardy before debt relief came.

The deal completes a year

The deal completes a year of change for Hutchison Wham-poa, which came under the con-trol of Cheung Kong in 1979 at a time when it was considered to be in poor financial health. It has a new executive team

on an extraordinary dividend, and partly on the Electric deal. The group, now has not debts of about HR\$1.2bn.

of about HK\$1.2bn.
In addition, the group committed itself in December to a HK\$4bn residential development at Whampoa Garden in Kawloon—a move which gave the long-depressed property market a fillip, and was interpreted locally as a figuificant statement of faith in the Territory's future.

tory's future.
As the dust has settled around

As the dust has settled around the Electric deal, so Mr Li and Mr Murray have becope willing to outline the group's long-term corporate plans. In the property area, Mr Murray suggested this week that the Whampoa Garden development is likely to "keep management tied down."

The "main thrust" of trading activities will be towards main land. China, Mr Murray seid. Hutchison Bong, the trading group's engineering substdiary is likely to be expanded in the near future through acquisition.

Meanwhile, the group's retail operations — focussed on the Park'n Shop supermarket chain—will continue to expand rapidly, with severe competition trimming profits to the bone.

trimming profits to the bone.

of the companies I control." said Mr Li this week. He expects Hutchison to generate sufficient profits over the next two years to repay the loan taken out last week to fund the Electric purchase.

Hr IA denies plans for any further relationary dispensel.

further: significant disposals, flatly combadicting market rimours that he is looking for a buyer for his minority stake in the South China Morning Post newspaper, or in the Sheraton Hotel in Hong Kong, in which Hutchison holds a 39 per cent stake.

per cent stake.

He even more emphatically denies suggestions that his long-term aim is to take control of Järdine Matheson or Hong-kong Land: "No matter how low the price, I would not consider buying them," he said.
In the short term, he is likely to have his hands full digesting Hong Kong Eleptric.

As well as supplying electricity to Hong Kong Island, the group has significant retail and property interests which are thought to be underperforming.

Mr Li sees the investment in Electric as a "conservative" one: "For a large group like. ours, we need a core of steady if that damages the confide income. It can provide us with of people in Hong Kong."

Pre-tax profits increased by 27 per cent to Rs 467.6m from Rs 368.1m in 1983.84 when the

profit margins of the company's competitors were squeezed. Mr N. M. Desai, chairman,

to Rs 3.48bn.

Mr Li Kashing

a stable base," he noted. is confident that strong economic growth will generate for power. Mr Li also suggested that it will not be long before the group offers consultance services to companies in China wanting to build and manage

It was clear this week that Mr
Li saw his purchase of Electric
as a watershed. It was a deal
that had to be good for the
company and for shareholders,
he insisted.

But most of all the deal was
a vote of confidence in the com-

and finance I know more. But I don't just want to make money

It will also set up a moder

heavy engineering works at Hazira on the west coast of the

state of Gujrat to make nuclear power equipment and heavy

Re-entry

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estitutio:

## Talks on North West Shelf deal Five-year spending plan

TALKS AIMED at changing the sales contract between the Western Australian State Energy Commission (WASEC) and the partners in the massive North West Shelf natural gas project opened in Perth yester-

WASEC is contracted to take sales contracts is due at the about 10.9m cubic metres of gas end of March. a day from next January 1 on a "take or pay" basis which is threatening to impose onerous burdens on its finances. It is taking lesser amounts at

Those involved in the project have vigorously denied that the talks pose any threat to its A\$8.5bn (US\$6.7bn) second stage, involving the sale of 6m tonnes of LNG a year to a group of Japanese power utili-

Western Australian governtives of the joint-venture mem-bers are taking part in the talks. WASEC is thought to be pressing for substantial reduc-tions in its contractual commit-

Formal signing of stage two energy producer.

Air, the international airline jointly owned by Bahrain, Qatar,

the UAE and Oman, is expecetd

to go ahead by 1986. Mr Yousuf Shirawi, Guif Air's executive chairman (who

is also Minister of Development and Industry in Bahrain) said

the sale of up to 49 per cent

of each state's quarter share to its own citizens had been approved in principle at the recent board meeting in Abu

"We did not think of selling while the airline was losing money," he said. But now that Gulf Air has a six-year profit record Mr Shirawi is hoping to

achieve a consensus for the move among the four govern-

ments,
Bahrain is unlikely to "go
it alone" as it did with AMPTC
(Arab Maritime Petroleum
Transport Company) in the
1970s. Having invited the
private sector to participate, the

Bahrain government then bought back their shares when the shipping company made

**Privatisation for Gulf Air** 

to go ahead by 1986

At the same time, Woodside Petroleum, the project's key partner and operator, is seeking a loan package of between bi-tech engineering company, better the next five years are good. The plans to invest Rs 5bn (\$395m) over the next five years to lift cal and suclear power plants, its turnover to Rs 10bn by as well as electrical instrumentation. Sales in the year to September 1981 rose 14 per cent offshore oil drilling.

It will also set up a medical content of the sales set up a medical U.S.\$1.8bn and U.S.\$2bn, which would include a roll-over of its existing U.S.\$1.4bn project

financing package.

Its partners—who have varying stakes in the domestic and export phases—are Chevron, BP, Shell, Broken Hill Proprietary, Mitsubishi Cor-poration, and Mitsui and Com-

Stage two of the project is expected to create a new Australian export industry with sales rivalling those of wheat or wool. Stage one was formally inaugurated last September, marking a milestone Australia's development as

In contrast, Gulf Air has

made a cumulative profit of BD 43.8m (U.S.\$116m) up to

the end of 1983, and expects to report a further profit for last year—although it will be down on the record \$51.8m achieved

The airline carried 2.9m passengers in 1984 against 2.6m. the previous year, and prelimi-

nary estimates show a two point improvement in the passenger

load factor, to 55.6 per cent.

Yields, however, were lower as a result of currency devalua-tions (principally of the British

pound and the Indian rupee) and of fare discounting, for which Mr Shirawi blamed inter-

national airlines which were poaching in Gulf Air's market and siphooling off traffic.

Gulf Air was set up in 1973 when the present owners bought

out BOAC's major stake in the small regional airline Gulf Aviation — a private venture started in 1950 by the legendary

Freddy Boswell.

### **Creditanstalt-Bankverein** U.S. \$80,000,000

for Larsen and Toubro

ARSEN & TOUBRO, a top says working prospects over the

Floating Rate Notes 1991

elected to redeem on 18th March, 1985, the next interest Payment Date, all of the outstanding Notes at their principal amount. On 18th March, 1985, the date fixed for redemption, there will become due and payable on the Notes the principal amount thereof together with interest accrued thereon to the date fixed for redemption. Payment of the redemption price and interest on principal office of European American Bank and Trust Company. 10 Hanover Square, New York, N.Y. 10015, or at the offices of European Banking Company Limited, 10 Devonshire Square, London EC2M 4HS, Amsterdam-Rotterdam Bank N.V., Herengracht, 595, Amsterdam 1001, Banca Commerciale Italiana S.p.A., 6, Piazza della Scala, 20121 Milan, Banque Generale du Luxembourg, S.A., 14, Rue Aldringen, Luxembourg, Creditanstalt-Bankvisrein, Schottengasse 6, A-1010 Vienna, Kredietbank S.A. Luxembourgeoise, 43 Boulevard Royal, Luxembourg-Midland Bank plc, 110-114 Cannon Street, London ECAN 8AA. Morgan Guaranty Trust Company of New York, Avenue des Arts 35. Brussels, B-1000, Societe Generale, 29, Boulevard Haussmann, 75009 Paris and Societe Generale de Banque S.A., 3, Montagne du Parc, Brussels, 9-1000 upon presentation and surrender for redemption of the Notes together with all Coupons appertaining thereto maturing on or after the date fixed for

The Coupons maturing on 18th March, 1985, should be present for payment in the usual manner. On or after 18th March, 1985, interest on the Notes will cease to accrue and ummatured Coupons shall become yold.

EUROPEAN BANKING COMPANY LIMITED (Agent Bank)

## This announcement appears as a matter of record only.

## Honda International Finance B.V.

Wholly-owned and guaranteed by

and the state of the Honda Motor Co., Ltd.

\$100,000,000

Multi-Currency Commercial Paper Program

We acted as financial advisor and are pleased to have been selected as Commercial Paper and Foreign Exchange dealer.

Merrill Lynch Capital Markets

## The Charter Company

has sold

**Charter Security Life Insurance** Company (Louisiana) and its subsidiaries

**Metropolitan Life Insurance Company** 

We initiated this transaction, assisted in the negotiations and acted as financial advisor to The Charter Company and Charter Security Life Insurance Company (Louisiana).

## Donaldson, Lufkin & Jenrette

January 29, 1985

GrandMet USA, Inc.

has acquired

Quality Care, Inc.

The undersigned acted as financial advisor to GrandMet USA, Inc. in this transaction.

MORGAN STANLEY & CO.

January 2, 1985

## INTL. COMPANIES & FINANCE

Chris Sherwell on market prospects for the year of the Ox

# Analysts pessimistic that Singapore share rally can be sustained

MARKET ANALYSTS, brokers and investors have been scratching their heads in recent days

February : 1

e ter Nacer-

Date to the

ling plan

Toubro

ankverein

ing their heads in recent days trying to decide whether last week's sharp rise in the Singapore stock market really heralded the start of a long-awaited bull run.

The question is important. Over the past few months the linked Singapore and Malaysian stock exchanges, which with Hong Kong are Asia's most important markets after Tokyo, have performed worse than have performed worse than practically every other market in the world; no one wants to miss the turn when it comes. Last week, it seemed for a

moment to have arrived. In six successive trading sessions up to last Thursday, the widely-watched Straits Times Industrial index picked up 68 points to hit 833.51, having languished for several weeks below the psychological 800 barrier.

Daily trading volumes also moment to have arrived. In Daily trading volumes also shot up, averaging more than shor up, averaging mark than 15m shares across the six sessions and hitting 21.9m on the Wednesday. These were more than double some of the more than double some of the volumes of recent weeks, so the rise seemed significant. "The bull has come to town," trumpeted Singapore's Business Times in an editorial.

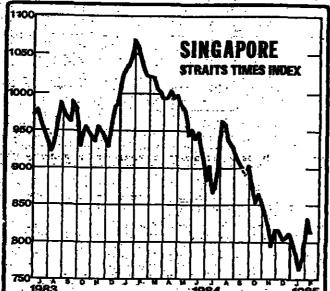
Yet last Friday and so far this week, the index has weakened again and trading volumes have turned lower.

weakened again and aroung volumes have turned lower. "Frankly we're baffied by what is happening," said an analyst at a merchant bank as the

#### Re-entry by foreign institutions

reversal occurred, "It's the ultimate sin-and terrifying-

industrial index and its long-term (200-day) moving average,



was inevitable because the inwas inevitable because the industrial sector was over-bought
in the very short term.

Most analysts are inclined to
the pessimistic view. "Corporate
profits were down in 1982 and
1983 and may be fractionally up
in 1984," says a merchant bank
chief. "Nobody knows where
they will go in 1985. But
ask around: companies which
thought they hit bottom in the
third quarter of last year now
say they're lower still."

There were explanations
aplenty for last week's surpris-

There were explanations apienty for last week's surprising rebound. The most signifi-cant was the long-sought re-entry of foreign institutions, partly because of corrections in Hong Kong, Tokyo, and London and partly because Singapore looked relatively attractive after the sustained decline since a

brief Wall Street-led rally last

August.
But that theory already not to be invested in a rising market. We thought this market when the rise began to look would either go on up or slide right back—but not this wet drifting."

One broker, analysing the divergence between the Singapore Stock Exchange's own allous rial index and its long-trail under than blue chips. A real rally must be more broadterm (200-day) moving average based."

based."
Two other explanations were concluded that a 20-month. Two other explanations were downtrend had finally reversed on offer: the traditional Chinese with bullish implications for New Year rally, which is first-half 1985 share prices." But fuelled by psychological and he warned that some reaction sentimental factors as much as of the type being seen this week, by wage bonuses, and hints of

by a realisation that quoted companies in the porate sector would be feeling the pinch in 1984 and 1985. While plantation companies looked best off despite uncertain commodity prices, manu-facturers not in electronics were still experiencing sluggish markets and Singapore's domestic banks had been forced by the authorities to make large provisions.

which promoted some younger leaders.

Hints about the budget have been helped by signs that the strong Singapore dollar might be allowed to weaken against the surging U.S. dollar. On Tuesday the currency closed at

S\$2.24 to the U.S. dollar, down from \$\$2.20 a week earlier. By

Singapore standards this is a

slide compared to the S\$2.15-S\$2.18 level the currency held

throughout the second half of 1984, and the fall will help certain sectors of the economy.

But currently, judgment is

The last major peak on the Singapore stock market was a year ago, when the Straits Times industrial index broke

through the psychological 1,000 barrier to hit 1,071.91 on February 8. This coincided

with robust growth in the Singapore and Malaysian econo-mies as the U.S. recovery

gathered momentum.

purchases.

· No one seems to question the

On top of this, propertyrelated companies faced a glut of space while hotels and retailers had problems both because of an oversupply of space and a slowdown in tourist arrivals. Specific factors also intervened: merchant bankers Jardine Fleming were expelled from Singapore, the Bank Bumiputra scandal over loan losses in Hong Kong refused to lie down and there were political uncertainties in Malaysia too.

The overall effect was to raise serious questions about a helpful Singapore budget to how Singaporean and Malaycome on March 8 from a recently-reshuffled cabinet sian companies were going to generate future profits.
Although the market picked up
in August along with others in the world — a record 39.6m shares were traded on August validity of the New Year arguments, though all doubt whether any rally will be sus-6 — the rally did not last, and the gloom which set in then tainable once the Year of the Ox arrives on February 20. In Malaysia, at least, the idea has persisted until the end of January.

With prospective price-earnings ratios still around 18-20, the market lacks the genuine been buttressed by the authorities encouragement to commercial banks to lend for share

## Lacks the genuine

analyst adds: "There's no panic to get in. The best we can say is that we may be over the tent is issued in compliance with the requirements of the Council of The Stock Exchange. It does not constitute an offer of, or invitation to the public to subscribe for or purchase, any securities.

# Trizec Corporation Ltd.

(Incorporated under the laws of Canada)

Cdn. \$60,000,000

11%% Senior Debentures to mature March 15, 1995

Issue Price 100%

The following have agreed to subscribe or procure subscribers for the Senior Debentures:

CIBC Limited

Algemene Bank Nederland N.V.

Citicorp International Bank Limited

Crédit Lyonnais

First Interstate Limited

Girozentrale und Bank der Oesterreichischen Sparkassen Aktiengesellschaft

# opportunities

opportunities or value offered by places like Tokyo or, especially, Hong Kong, where the political settlement between London and Peking over the

colony's future has clearly provided a big boost.

Despite last week's rises, this
remains the case, according to
most analysts—the fundamentals, quite simply, have not
yet changed. Says a bank
researcher: "I don't think the
rise is sus rinable." A broking
analyst adds: "There's no panic

Berliner Handels-und Frankfurter Bank

Commerzbank Aktiengesellschaft

Dresdner Bank Aktiengesellschaft

Genossenschaftliche Zentralbank

Hambros Bank Limited

Wood Gundy Inc.

Manufacturers Hanover Limited

Samuel Montagu & Co. Limited

The Royal Trust Company of Canada

Swiss Bank Corporation International Limited

S. G. Warburg & Co. Ltd.

Société Générale

Orion Royal Bank Limited

IBJ International Limited

Merrill Lynch International & Co.

Application has been made to the Council of The Stock Exchange for the Senior Debentures constituting the issue to be admitted to the Official List. Interest is payable annually in arrears on March 15 each year. The first interest payment date will be March 15, 1986.

Particulars of the Senior Debentures and the Company are available from Extel Statistical Services Limited and may be obtained during normal business hours on any weekday (public holidays excepted) up to and including 21 February, 1985 from:

Canadian Imperial Bank of Commerce 55 Bishopsgate London EC2N 3NN

Cazenove & Co., 12 Tokenhouse Yard London EC2R 7AN Company Announcements Office Stock Exchange Throgmorton Street London EC2P2BT

(Until February 11, 1985 only)

February 7,1985

All these securities having been sold, this announcement appears as a matter of record only,



## **James Hardie Industries Limited**

(Incorporated with limited liability in the State of New South Wales)

A\$30,000,000 13 per cent. Notes due 1989

S, G. Warburg & Co. Ltd.

Banque Bruxelles Lambert S.A. Orion Royal Bank Limited

Algemene Bank Nederland N.V. Banque Internationale à Luxembourg S.A.

**Banque Paribas Capital Markets** County Bank Limited

Creditanstalt-Bankverein

Lloyds Bank International Limited

Westdeutsche Landesbank Girozentrale

Kredietbank International Group Société Générale de Banque S.A. **Amro International Limited** 

Banque Nationale de Paris

Baring Brothers & Co., Limited Credit Suisse First Boston Limited

Dresdner Bank Aktiengesellschaft

The Nikko Securities Co., (Europe) Ltd. Yamaichi International (Europe) Limited

#### Annual General Meeting

National Australia Bank Limited

## Highlights from the Chairman's Address

The Changing Financial Environment

Deregulation of Australian financial markets is creating an operating environment very different from the tightly controlled banking regime of the past four decades. The exchange rate has been freed completely exchange controls removed, additional licences granted to merchant banks to deal in foreign currencies and restrictions on bank deposits removed. Official monetary policy is no longer being implemented through direct controls, and new prudential and liquidity standards for banks are also in the process of

emerging However, perhaps the most positive step is yet to come-removal of the official interest rate ceiling on loans of less than \$100,000, which primarily affects small business lending and loans for owner occupied housing. This Bank has done more than any other financial institution to dispel the illusions surrounding home loan interest rates by offering attractive loan packages to home buyers not normally qualifying for savings bank finance. Rates of interest have been above the normal concessional levels, but extremely flexible repayment options have meant that home buyers have been able to afford to borrow more than they could have under the "old" rules. With interest rate freedom,

an adequate supply of deposit funds at all times without significantly affecting the ability of borrowers to service their debt. A much stronger Banking

rates could be set so as to maintain

The Bank has also taken a leading role in working towards the provision of cheque account facilities for customers of non-bank financial institutions through

agency arrangements, and attractive interest bearing cheque accounts have been introduced for bank customers.

At the same time, electronic data processing capabilities and associated product delivery systems are being upgraded with expansion of the automated telling machine network and electronic funds transfer at point of sale trials now underway. In October the Bank purchased

the 50% shareholding held by

The Chase-Manhattan Overseas Banking Corporation in the Chase-NBA Group. Full ownership and control of this merchant banking group, renamed First National Limited, substantially strengthens our position in this important area of financial activity Also of major significance was our acquisition of 50% of the long established and well known stockbroking house, A.C. Goode & Co, to facilitate access by the Bank's extensive customer base to the equity and fixed interest markets. In the international arena, the

Bank has always had a policy of selective entry into preferred

Total Group assets

Earnings per share

(after tax)

Group operating profit

Dividend per stock unit

overseas markets with rigorous credit and country risk assessment and will continue to do so. We shall also continue the trend of expansion in international lending and representation, particularly in the Asia/Pacific region. The Bank is well placed to prosper in the challenging environment which lies ahead. Looking specifically at 1984/85, early results suggest the year is shaping up reasonably well. Of course, the year will also witness new entrants into banking, including foreign based entrants. We are ready to meet this competition. However it is most unlikely that significant inroads will be made into our markets from this source during the next year. Instead, 1984/85 will present us with the opportunity to strengthen our market presence arising from the merger, from the recent initiatives already mentioned, and from the well developed plans we have to meet the future.

Sir Robert Law-Smith, Chairman of Directors, Melbourne, January 24, 1985.

(\$m)

161

62c

23,283

(\$m)

228

70c

25c

27,505

#### Courses

#### **Company Notices**

NOTICE IS HEREEY GIVEN that for the period from 30th June, 1984 to 2nd Janeary, 1985 a Distribution of U.S.\$ 69 per luce no Share is payable from 6th Feulusy, 1985 a painet presentation of coupon number 7 at the undermeationed office at which the published Report and Accounts are available, and the published Report and Accounts are available, their Interest in the Trust Fund will be increased in respect to 1.5972916 Undivided Shares, MANUFACTURERS HANOVER ASSET MANAGEMENT LIMITED Maguifacturers Hapover House INTERNATIONAL DEPOSITARY RECEIPTS
REPRESENTING SHARES
PAR YALUS \$250 COMMON STOCK IN
J. P. MORGAN & CO. INC. Clubs



Tokyo Pacific Holdings (Seaboard) N.V. on 4th February 1985, U.S. \$97.87

Listed on the Amsterdam Stock Exchange

Information: Pierson, Heldring & Pierson N.V., Herengracht 214, 1016 BS Amsterdam

**VONTOBEL EUROBONDINDIZES** WEIGHTED AVERAGE YIELDS

PER 5 FEBRUARY 1985

Bank J. Vontobel & Co Ltd. Zurich - Tel: 010 411 488 7111

# National Australia 🚜 Bank

Summary of Results (year ended September)

(\$m)

20,517

150

58c

Tottenham Hotspur, the only football club to have joined that other League, the Stock Ex-change, yesterday reported little change in operating profits at half time but a large surplus

Sales of Steve Archibald, Alan Brazil and Gary O'Reilly for a total £1.73m, partly offset by pur-chases of Clive Allen and Jhon Chiedozie for £1.1m, produced a surplus of £626,000 at November 30 compared with a deficit of £482,000 at the stame stage last

This was largely responsible for pre-tax profit of £821,000 (loss £459,000). Profit before transfer fees rose from £33,000 to £195,000, largely because no net interest was payable this year compared with £150,000 a year

Operating profit was £195,000 (£183,000), with this year's figure including £99,000 of currency exchange gains, mainly from the dollar-denominated sale of Steve Archibald to Barcelona. Turaover rose from £1.85m to £2.31m. Tax took £300,000 this year against nil last year, and earnings per share were 5.7p (loss

ings per share were 5.7p (loss 7.2p). The company is paying a 1.5p interim dividend.

Mr Paul Bobroff, chairman, said first half figures are not representative of the full year, since heavy expenditures are incurred during the summer and are only parily compensated by the end of November. In the year ended May 31 1984 pre-tax profit before transfer fees was £902,000 (£168,000) and after transfer fees £410,000 (loss £449,000).

#### DIVIDENDS ANNOUNCED

	Date	Corre-	Total	Total	
Current	of s	ponding	for	last	
payment		div.	year	year	
Astra Industrialint nil	· · ·	0.13	_	0.13	
Cater Allen Gilt 4th int 351	March 29	32	131	128	
Christie-Tylerint 1	April 9	nil	_	1.5	
English, N. York Trust 1.5	April 11	1.3	2.5	2.3	
Fleming American Inv 3.25		2.25	5.25	4.25	
Martin Ford 0.05	April 18	0.7	0.05	1.05	
Scottish Mercantileint 3.5	March 1	2	_	7.7	
Stocklake Holdingsint 3	April 4	3	_	12	
Tottenham Hotspurint 1.5	April 19	nil		2.3	
Webber Electros 1	April 1	+88.0	2	1.75*	
Dividends shown pence per	share net	except	where	otherwis	ie

stated. \*Equivalent after allowing for scrip issue, fon capital increased by rights and/or acquisition issues. ‡USM stock. §Unquoted stock. ¶Gross throughout.

Attendances in the early part of this season, Mr Bobroff said, were slightly higher than at were slightly higher than at matches against the same teams last season, averaging 29,000 against 28,500. Entry prices to White Hart Lane have been increased by 11 to 12 per cent. The surplus in the transfer fee account enables further investment in players without drawing on retained earnings, but Mr Bobroff would not be drawn on Spur's acquisition plans.

tion, this year looks similar to last. Spurs is doing better in the League, but as last season, it was knocked out of the Milk Cup before Christmas and the Cup before Christmas and the FA Cup in the fourth round. The team is through to the quarter-finals of the UEFA Cup, which it won last year. First half figures cover the close season and are thus not a reliable indicator, but they show the importance of transfer fees: not only are they a significant contributor to pre-tax profits this Mr Bobroff's plans to expand the company through property development and an indoor sports complex, as well as extending its travel and merchandising operations are the key to Tottenham Hotspur's future. But the interim figures confirm that, for the time being, it still depends on the team's contributor to pre-tax profits this time, but about half the operations, but about about half the operations of time, but about about half the operations, which is virtually unchanged from a year ago, is accounted for by currency gains, mostly from the sale of Steve Archibald. The shares, up 1p. yesterday at 75p. are probably held back by lack of marketablility, with about 10,300 devout fans holding them. contributor to pre-tax profits this

## Christie-Tyler prospects hit by sterling and interest fears

TAXABLE PROFITS at Christic-Tyler rose from £18,000 to £122,000 at the half-way stage, but recent exchange and in-terest rate movements could affect prospects for the full year.

The group is a manufacturer and uphoisterer of furniture. The pound's recent sharp deteriorapound's recent sharp desireds tion will have a serious adverse effect on the cost of imported textiles and timber, and higher interest rates will affect con-sumer confidence and expendi-

Mr George Williams, the chairman, says that provided the increases in interest rates are short term, he anticipates some improvement in the full year result, but adds "in the present economic climate it is particularly difficult to make a fore-

four years, with a 1p net payment for the period to October 31 1984. Earnings at the interim stage are quoted at 1.3p (0.2p) fate is not dealing kindly with the dividend list after a two-ye absence with a 1.5p payment.

13 per cent to £39.9m (£35.45m) in the half year and generated

#### **BOARD MEETINGS**

_	
The following companies detes of board meetings Exchange. Such meeting held for the purposes dividends. Official inductional services as to whether are interims or finals divisions shown below and last year's timetable	to the Stock ps are usually pi considering prions are not the dividends and the sub- pased mainty
TODAY	
Interims: Abingworth,	Flextech, Mid

Fate is not dealing kindly with er share. Christie-Tyler. Having success-Turnover advanced by nearly fully extricated itself from the problems of the early 1980s through expensive closures and

man, says that provided the increases in interest rates are short term, he anticipates some improvement in the full year result, but adds "in the present economic climate it is particuarly difficult to make a foresast."

In the 53 weeks to end April spending on furniture. In round 1984 this South Wales-based consumbers, the 7 per cent fall in services.

The group is to pay an interim 1984 this form the first time in the dividend list after a two-year annual basis while the double toll improved of raising the interest charge and further dulling discretionary the first time in 1984 this South Wales-based consumbers, the 7 per cent fall in 1984 this South Wales-based consumbers in the dividend list after a two-year annual basis while the 4 per cent interest rate blke, if maintained will cost an additional £80,000

FUTURE DATES

Barclays ...... Mar 7
Jones (Ernest) (Jeweilers) ..... Feb 19
Tribune Investment Trust ..... Feb 14

in charges over the year. An up-to-date indicator of furniture spending is the January sales, which were not as buoyant as previous years. All this adds nothing to what is already a trading profits £38,000 ahead at 5343,000. The first six months of the trading year is always the more difficult, and this time included reorganisations now former has increased the cost of merket capitalisation is £4.7m.

## **Martin Ford** returns to profit in second half

Ford at the interim stage have worked through, and led to a return to profit of £151,000 in the second half.

retailer of ladies' wear has cut its loss to £49,000 before tax for the full year ended December 1 1984. This com-pares with a profit of £323,000 in the previous 53 weeks, of which £190,000 was earned in the second half.

The interim dividend was omitted, but the directors are paying a nominal final of 0.05p net, against a total of 1.05p, including a final of 0.7p, for 1982-83.

Turnover for the year came to £7.28m, against £7.48m. It was the second quarter when the company suffered most; trading was erratic and it tried to break into a new sector of the retail fashion market. But sales increase did not come up to expectations and a sub-stantial range of merchandise had to be marked down for

Merchandising policy was then focussed on the sectors that have traditionally shown

good results.

The operating loss was £64,000 (profit £272,000). A tax credit of £24,000 (charge £72,000) reduces the deficit to £25,000 (profit £251,000), or 0.16p (1.61p) per share.

#### Webber Electro earnings and payment rise

SECOND HALF profits of Webber Electro Components rose from £194,000 to £253,000, and this pushes up the total for the year ended September 30 1984 by £130,000 to £474,000. The dividend is lifted from the equivalent of 1.75p to 2p net, the final being 1p. the final being 1p.
Turnover of this USM com-

pany rose from £1.4m to £1.92m, with exports accounting for 24 per cent (25). The company looks for further progress in the current year, particularly as new production facilities come on

Initial sales of electronics in association with valves were sufficient to show breakeven on this new activity, the directors state. Most develop-ments in this area are on medium term projects which have considerable potential. In the first quarter of the current year production has

delay in finding new pre-mises. However, last month company signed a five year lease on a small unit factory close to the present tax After (£64,000) the net profit for

the year comes out at £305,000 (£280,000) for earniugs of 6.62p (6.48p) per

## Duncan Campbell-Smith on out-of-focus Thorn EMI

# Future shows a clearer picture

Thorn EMI is again the subject of takeover rumours. Last October, it was gossip about a possible bid from the U.S. which helped send Thorn's shares up 14 per cent in ten sessions.

This time round, the market has been excited by talk of a consortium of buyers intent on building a substantial minority stake: the shares closed yester-day at 460p, up from 420p at the end of last week. Mr Peter Laister is now near-

ing the end of his first year as chairman of Thorn. Neither the chairman of Thorn. Neither the present jumpiness in the shares nor their setback after some disappointing interim results last month are quite what Mr Laister had in mind for the group when he succeeded Sir Richard Cave at its head last March.

its head last March.

Rather the opposite. Within six weeks, he had launched a £650m bid for British Aerospace. When that failed, he followed up two months later by paying £95m for control of lumos—a sudden and audacious commitment to the world semi-conductor industry. Mr Laister was—and is—clearly a man with hig ideas.

The City's view of most of The City's view of most of them is still painfully apparent from the 198485 chart of Thorn's relative share price, plotted against the FT All Share index. The performance has been burdened, too, by the weight of a one-for-five rights issue which raised £136m from Thorn's shareholders last July.

holders last July.

Mr Laister and his colleagues Mr Laister and his colleagues could be forgiven for seeing every flurry in the shares as a signal that, at last, the market might be turning to a more generous view of Thorn's potential. On a multiple of around 10 times prospective 1984-85 earnings, after all, the shares in the biggest UK consumer electronics business are trailing the average business are trailing the average market rating, let alone the premium enjoyed by the rest of the electricals sector.

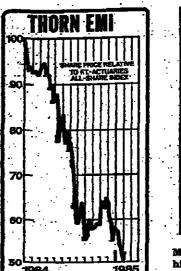
But the alternative explana-

But the alternative explanation confronts the Thorn board
with some awkward questions.
If bid speculation is still the
only real source of enthusiasm
for a group capitalised at around
filbn, what can be made of Mr
Laister's first year? Has he just
failed to explain in time what
is happening to Thorn under his
command? Or has the market
also decided there is something
fundamentally wrong?

fundamentally wrong?
Thorn has certainly excited fresh worries about its own predicament by telling the City predicament by telling the City lived bid to merge knorn with that a startling switch from big screens to small screens in European TV retailing has in effect dished the 1964-85 profitability of its Ferguson TV manufacturing subsidiary.

Some analysts, though, continue to focus on Thorn's extending the City lived bid to merge knorn with present it was his personal idea, was his personal idea, whole was his personal idea, whole executive board of Thorn at an early stage of the sixmonth study period which preceded it.

Most analysts have castigated it as just plain daft. Mr Laister



operation as the basis for a potentially exciting development of the group into this country's

In this view, last year's merger plan with BAe and all the upsets that followed were an unfortunate distraction. "There is a good company somewhere in there, trying to get out," say

Mr Max Dolding and Mr Richard

Tayerner analysts at horsers that make. Time, he argues, has the proper that the City.

Mr Max Dolding and Mr Richard Taverner, analysts at brokers James Capel.

The contrary view is advanced anonymously but nonetheless widely for that. Thorn's 1979 merger with EMI, say the group's harsher critics, is far from being the triumph often claimed. Combined, the two produced earnings per share of 58p in 1980 and only around 35p for each of the next three years. Earnings recovered to 48p in 1983-84 but look certain to fall short of that in the present year to March.

More specifically, the critics charge that Thorn has correctly identified a key weakness—its dependence on the UK consumer spending cycle up to now—but

spending cycle up to now—but has opted for the wrong anti-dotes. Buying Inmos, the micro-chip manufacturer, has in this view exacerbated Thorn's vulner-

ability to cyclicality
Mr Laister is an easily likeable man who looks older than
his age—he turned 56 last month —and no wonder. The short-lived bid to merge Thorn with



Mr Peter Laister . . . may find himself running against the

visited a good many institutional shareholders last summer to ex-plain the thinking behind the bid. Many found him unper-suasive. Mr.Laister is well aware of all this hostility but is still smiking bravely: "I'll live with

Murray.

He has some solid points to make. Time, he argues, has shown that Thorn beat the City to an early appreciation of BAe's qualities. He makes no apologies for it and thinks that attacks on him in 1979 for the takeover

This conviction about the BAe strategy is firmly shared by his strategy is firmly shared by his boardroom colleagues and they clearly belive the whole episode reflects little credit on some ingrained City attitudes. "I honestly think that if BAe had been included in the FT shares list under electricals, there wouldn't have been half the bother there was," says Mr Harold Morgue, Thorn's vice-chairman.

chairman. Another important clue to Mr Laister's resilient self-confidence is a pride in what he thinks has is a pride in what he thinks has already been achieved at Thorn since his arrival in 1979. He says Thorn used to be "a rather patriarchal company," not surprisingly given its history as the personal creation of the late Sir Jules Thorn. Now it is ran "on what I would call modern management systems."

what I would call modern man-agement systems."

As for strategy, the future is certainly clearer than for many years past. Thorn probably has further disposais to make, but has already dropped out of wings. Mr L hotels, sports and medical equip-ment and restaurants.

pliances, the group commands big share of all its UK markets a big share of all its UK markets. In home entertainment, it not only has an unparalleled home base — with just under 30 percent of a UK rental market worth £1.6bn to annual revenues and declining only very slowly if at all — but also now has a flourishing international business. New directions of Thorn required new managers to see them through: a few years up the board consisted almost exclusively of directed fast heading for retirement. It takes a healt of a long time to a section. exclusively or directors tast heading for retirement. "It halfs," hell of a long time to get a team together and settle R in to start looking properly at the fourt," says Mr Laister, but that task has den ar

now been achieved.
A group of much younger men has been appointed to the hand has been appointed to the hand

the city has exaggerated harms basic difficulties over the consumer spending cycle, while demanding its pound of desh as the penalty for a dismal public relations exercise by Thorn last

the real rate of decline in the UK consumer's preference for renting rather than buying TVs and VCRs or the real extent of Inmos's future cash-needs will it has magnified this uncertainty tenfold by its neglect of the Gity Mr Laister broadly agrees with this verdict. Cut off from the City. Thorn certainly underest-City, thorn certainer against mated the time needed to emalah its diversification ideas and the durability of the hostile response. Relatedly. Mr Laister presented

obvious. market to expect that kind of bold move from it. And they

That kind of proof though, takes time to assemble. If a predator really is lurking in the wings. Mr. Laister could find himself running hard against the

#### COMPANY NEWS IN BRIEF

bonds totalling Manchester Passenger Transport which £5.25m at 121 per cent, redeemable on February 12 1986, have

ness DC £0.25m; Midlothian DC £0.25m; Ynys Mon Isle of Anglesey Borough £0.25m; Scunthorpe (Borough of) £0.5m; West Wiltshire DC

Carlton Communications, the been issued by the following the video technology and comlocal authorities. Roxburgh munications group, is to make a £180,000 against £136,000 have 
District Council £0.25m; Inver
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the video technology and communications group, is to make a £180,000 against £136,000 have 
one-for-three scrip issue in been produced by Fashlon & 
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60.5m; Derwentside DC £0.5m; holders on the register on Northavon DC £0.25m; Wirral March 1 1985. The new shares (Metropolitan Borough of) & Will not rank for the final dividend of 4.05p net per share announced in respect of the year Forest Heath DC £0.5m; Greater ended September 30 1984, for

All these notes having been sold

order to bring the issued share capital of the company more in line with the capital actually employed.

Up to 6.87m new ordinary shares will be allotted to share-holders, on the register on

General Investment for the six months to the end of September 1984. The interim dividend has been lifted from 5p to 6p. In the last full year a total of 9.4p was First-half earnings per share

were shown as 8p (5.3p):
Exceptional non-recu
administration expenses administration expenses of £65,534 were incurred this time, connected with the disposal of holding in Canal-Randolpu Corporation.

Another year of significant growth has been achieved at Bank Leumi (UR), say the directors, on reporting net profits for 1984, after tax and transfer to inner reserves, ahead from £714,000 to £820,000.

Increased lending and trade financing, as well as a growing volume of business, contributed to the improved results they say. The net final dividend is held. The net final dividend is held at 70 which maintains the previous total of 10.15p.

The rights issue by C. and W. Walker Holdings at 17p per share have been taken up to the extent of 3.46m shares (86.2 per cent). New shares not taken up have been sold in the market at 194u fully paid. Net proceeds will be remitted to the persons to whom such shares were provisionally allotted. Because of an adjustment to

Because of an adjustment to inter-company accounts at Nova (Jersey) Knit identified since the announcement of results for the half year to September 30 1984, trading profit is now stated at £68,000 against £52,000 and the pre-tax loss is increased to £255.000, compared with a profit of £52,000 for the comparable period. Other figures are as previously announced. The succes of offshoor Howard

Developments largely contributed to Howard Shutterings' Interim pre-tax profit increase from 1562,000 to 1635,000. The development company contributed more than half the group's £4.16m (£3.9m) turnover

for the six months to October 31 1984 and the majority of group profits. The group's main activities are

Over 10, up to 15...

which the group reported a in property development, plant 58 per cent increase in taxable profits to £5.54m.

\* \* \* \* \* contracting, erecting concrete structures and specialised joinery

creased to 0.7p (0.67p adjusted).
Last year's final was equal to
0.5p when pre-tax profits reached
£895,000 and the results were the best in the group's history. Earnings per share improved from an adjusted 2.4p to 2.8p.

CHAIR

ACCOUNT

ECRUIT

After beating its profit forecast, Rowland Gaunt, a women's cioth-ing group, now has the capital and management resources to continue and extend trading momentum and to plan the strategic growth of its manufacturing interests.

This should enable the board to consider resuming dividends.

Pre-tax profits for the period ended October 31 1984 have improved to £228,000 compared with at least £200,000 forecast and with £42,000 previously, on increased sales of £6.54m (£5m). Earnings per share were 11.389 (2.66p on former capital). Tax. was £16,000 (nil) with a minorities debt-of £7,000 (nil).

Fleming American Investment Trust raised net asset value from 494 lp. to 625.8p per 25p share in 1984. share in 1984.

Earnings per share for the year to December 31 increased from 5.59p to 6.19p and the dividend total is 1p higher at 5.25p net, with a final of 3.25p (2.25p).

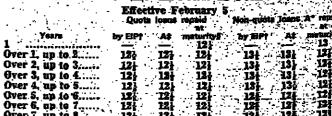
Gross income rose from 22.76m to £3.64m. Interest charges were almost trebled at £1.52m (£0.54m), while tax was lower at £5.83m (£1.03m) giving an avail-

£0.83m (£1.03m) giving an available balance of £1.06m, against £0.96m.

Net asset per 25p share of Scottish & Mercantile Investment totalled 448.6p, at Ianuary 25 1985. This compares with 414.8p at September 36 1984 and with 390.7p at end-September 1982 Net regarded. for the six with 380.7p at end September 1983. Net revenue for the six mouths to September 39 last amounted to £211.000 (£157,000). The net interim dividend is 3.5p (2p). Earnings were 3.5p (2p). Earnings (2.6p) per share.

> LADBROKE INDEX Based on FT Index 983-987 (+9) Tel: 01-427 4411

Public Works Loan Board rates Effective February



11 Non-quota loans B are 1 per cent higher in each case than non-quota loans A. † Equal instalments of principal. † Repayment by half-yearly annulty (fixed equal half-yearly payments to include principal and interest). § With half-yearly payments of interest only.

#### Notice of Redemption

#### **International Standard Electric Corporation** 6% Sinking Fund Debentures Due 1986

NOTICE IS HEREBY GIVEN that, pursuant to the provisions of the Indenture dated as of March 1, 1966, under which the above described Debentures were issued, \$480,000 principal amount of the said Debentures of the following distinctive numbers has been drawn by lot for redemption on March 1, 1985 (the "sinking fund redemption date") through the operation of the Mandatory Sinking Fund provisions at 100% of the principal amount thereof (the "redemption price"), together with accrued interest to the redemption date: \$500 COUPON DEBENTURES BEARING THE PREFIX LETTER D

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656	703	758	814	876	957	1060	1207	1225	1249	1290	1312	1402	1437	1468	1977
662	708	788	821	930	100L	1069	1210	1227	1254	5 1298	3 1314	1414	1439	1471	1980
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322	2261	3115	4199	6399	6531	6998	8316	9329.	9770	11295	11724	12687	12935	13196	13558
563	2260	3119	4203	6400	6532	7001	8319	9332	9803	11328	11784	12689	12938	18208	13576
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725				6435						11396	11788	12896	12956	13227	13647
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The Debentures specified above will become due and payable and, upon Presentation and Surrender thereof (with all coupons appertaining thereto, maturing after March 1, 1985), will be paid on said redemption date at the Brokess Services Department on the 5th Floor of Cabenic, N.A., 111 Wall Street, New York, N.Y. 10043, at the offices of Citibank, N.A. in London (City Office) and Paris, or at the principal offices of Societe Generale de Banque S.A. in Brussels, Dresdner Bank Aktiengesellschaft in Frankfurt and Banque Generale du Luxembourg in Luxembourg, as the Company's Paying Agents. On and after said redemption date, interest on said Debentures will cease

Coupons due March 1, 1985 should be detached and presented for payment in the usual manner.

International Standard Electric Corporation By: CITIBANK, N.A.

#### NOTICE

Withholding of 20% of gross redemption proceeds of any payment made within the United States is required by the Interest and Dividend Compliance Act of 1983 unless the Paying Agent has the correct tax identification number (social security or employer identification number) or exemption certificate of the Payee. Please furnish a properly completed Form W-9 or exemption certificate or equivalent when presenting your securities.

January 30, 1985

New Issue Dec. 1, 1984



#### **NORSK DATA A.S**

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Issue Price 100 1/4 per cent.

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dunier.

February 7 to

## Hillsdown offer heavily in demand

THE OFFER for sale by tender of 47m shares in Hillsdown Holdings, a food manufacturer, has been heavily oversubscribed.

The receiving bank, Lloyds, yesterday began sorting applications. There are thought to be at least 100,000. Details of the shares allotment and the striking price above the minimum tender price of 100p a

share, are expected to be an-nounced later today, by merchant bank Kleinwort, Benson.

Hillsdown has a market capitalisation of £189.2m at minimum tender price and prospective p/e of 13.5 times.

The group has acquired a number of companies in the last few years often loss-makers which bes managed to make profit ble, including Lockwoods, a canned foods company and FMC,

Other companies within the group include Buxted, a poultry producer and Daylay, the largest UK egg producer.

#### Overheads put Astra in red

Astra Industrial Group in-curred a pre-tax loss of £63,000 in the six months to October 31 1984, against a previous profit of £68,000. The deficit arose mainly because of overhead costs of £789,000 as a result of con-tinued restructuring of the group. Interest payable also rose, from £189,000 to £203,900.

Before overheads and interest, the group showed gross profits of £929,000 from turnover of £1.9m. No comparable figures are pro vided for immover, gross profit, or overheads. Astra trades in engineering, property and snooker clubs, and underwent a wholesale restructuring of its affairs last August.

The directors state that the group will beneal in the second half from the considerable reduction in borrowings as a result of the rights issue proceeds of £1.23m received last September. There is no interim dividend. In 1983-84 the group made a single interim payment of 0.125p and omitted the final. Loss per share for the six months is stated

at 0.11p (earnings 0.15p). The directors also announce that Astra has agreed to acquire based laundry equipment manu-facturing company, in a cash and shares deal worth about

## Stocklake holds profits after 'uncertain' first half

WITH UNCERTAIN trading conditions prevailing for the first six months of the current financial year, directors at Stocklake Holdings report some increase in pre-tax profits from £1.47m to £1.58m for the opening haif year to the end of September 1984. Results so far for the second half remain profitable, they say. with no definite signs of general improvement in trading conditions

The interim dividend has been held at \$p-a final of \$p was paid in the last full year. First half earnings per share are shown as

Tunover was down from ELLAnn, to Ell.83m—principal activities of the group are export trading and financing steel stockholding and exporting importing and distributing timber, foot wear, and agricultural equip-

in their last annual statement trusts managed by the directors reported profits of 2351m, down from 24.25m, and said that in view of lower levels of available business, and the reduced value of sterling overseas, they considered the ways.

reduced value of sterling overseas, they considered the results to be "satisfactory."

They pointed out that increases in export credit, guarantee cover had reduced already small margins on export trading and financing and they thought that this side of business would only be continued on a "much reduced scale."

They also said then that since the beginning of the current year the group had continued to trade profitably, despite uncertain trading conditions.

At the last year end Scottish and Mercantile Investment held \$9.3 per cent of ordinary shares, including 27.2 per cent held by Scottish Cities Investment Trust. and Mercantile Investment held 39.3 per cent of ordinary shares, covered by profits earned in UK and Canada: so the 12 Scottish Cities Investment Trust.

## Growth potential at Guinness

REVIEWING THE year 1983-84 significantly increase the group's this important market. The U.S. at Arthur Guinness & Sens, Mr opportunity base, Mr Saunders currently contributes 5 per cent of total tumover and profits. tive, says the group has again. improved its performance, while completing the restructuring of its business to create a strong platform for growth.

From being a company per-ceived as dependent on one product with a large number of unrelated activities. Guinness now has four defined areas of activity—brewing and market-ing, retailing, publishing and health.

All of these have potential for opportunities to expand its progrowth and, between them, duct and distribution base in

The group's recent acquisi-The group's recent acquisi-tious in the retailing and bealth sectors provide an enterprising move ferward for its develop-ment plans in these areas, he

aids.
Since the accounts were completed. Richter Brothers, the U.S. food importer and distributor, has been acquired. Commenting on the American activities, Mr Saunders says the group looks forward with continued confidence and will seek apportunities to expend its new

currently contributes 5 per cent of total turnover and profits. As reported on January 16, Guinness raised taxable profits for the year ended September 30 1984, from £58.8m to £70.4m, although over half of the increase was attributable to a £6.3m reduction in exceptional costs. Turnover advanced to £923.7m (£872.4m).

To support the company's strong corporate development, it intends to change its name to Guinness plc.
Meeting, Guinness Brewery.
Park Royal, NW, February 28, at

## Mixed new life at Norwich Union

worldwide operations were slightly down at £107m, com-pared with £108m in the previous year, but single pre-miums soared from £182m to £268m. In the UK, new annual premium business declined over

premium business declined over in 1983 to £34m last year—5 per cent from £85.9m to £81.2m—the bnoyant pension ing of Life Assurance Premium bsiness failing to offset the drop in life business.

New annual premiums on UK life business fell over 20 per Union. New annual premiums cent from £81.9m to £48.6m on self-employed pensions Most of this decline came from doubled from £4.6m to £9m,

Norwich Union Insurance, one a substantial fall in mortgageof the largest mutual life companies in the UK, reported a
mixed pattern of new business
for 1984.

New annual premiums on its
New annual premiums on its
New annual premiums on its
worldwide operations were
slightly down at £107m, compared with £108m in the
previous year, but single premiums soared from £182m to

a substantial fall in mortgagerelated business with premiums
down £51m to £52m.

However, 1983 was a very good
year for mortgage-related business
was a very good
or mortgageto MRAS—the new method of
crediting tax relief on mortgage
interest. The 1983 figure contined £13m of premiums arising
from once-off conversion, Annual from once-off conversion. Annual premiums on new mortgagein 1983 to £34m last year-reflecting the impact of the end-ing of Life Assurance Premium Relief.

while single premiums rose over 40 per cent from £19m to £27.2m. On executive pension business, new annual premiums rose from £7.8m to £10.1m and single premiums from £9.9m to £14.5m. Business in company pension schemes was also good last year with annual premiums up 16 per cent from £11.6m to £13.5m and

£5m to £7.6m. Single premium bu the UK jumped by 40 per cent from £165.3m to £232.8m, thanks mainly to annuity payments rising by half from £99.3m to £147.5m.

single premiums up by half from

On its overseas business, new

### Seltrust to go into voluntary

liquidation

FOLL. VING THE recent meeting of Seltrust Holdings which rejected the restructuring proposals put forward for this loss-making 75.4 per cent-owned Australian subsidiary of British Petroleum, the company is to be put into voluntary liquidation. This is in line with the warning given earlier by EP.

Resolutions for the liquidation are to be put to the Seltrust

are to be put to the Seltrust meeting in Perth on February meeting in Perth on February
28. The company states that it is considered this course will ensure the maximum return to shareholders, "although it is unlikely to match that offered under the previously rejected scheme of arrangement."

The scheme, which implied a value of A\$86.2m (£60.6m) for the Agnew nickel mine compared with an independent valuation of A\$21.8m, included an offer of 54 cents (about 35p) per Seltrust ahare made to the minority shareholders.

The Seltrust directors add that they have been advised that

that they have been advised that voluntary liquidation is likely to provide a greater return to shareholders than a compulsory liquidation of the company's

principal operating subsidiary which would result if BP called its loans to Seltrust.

BP has thus deferred this action in order to allow the voluntary liquidation alternative and has undertaken to continue financial support should the resolutions be carried. It is hoped that Seltrust will be sold in its entirety as a going con-cern. Dealings in the shares remained suspended.

## Freeport McMoRan ahead

THE U.S. Freeport-McMoRan quarter results were 75 per cent natural resource major is continuing to keep its head above water. Fourth quarter earnings of \$24.9m (\$22.4m) bring the 1984 total to \$94.1m, equal to \$1.32 per share, compared with \$93.5m in 1983. Exceptional items comprised a charge of \$4.21m in 1984 and a gain of \$3.39m in 1983. Mr James R. Moffett, chairman, sald: "Overall, 1984 earnings reflect the advantages of being a well balanced natural resources company and the value of our low cost properties. While so many other mining operations showed losses in 1984, we can report positive results in our minerals operations." He said that 1984 ended with a

In spite of the decline in U.S. prices the gold operations con-tinued to be profitable thanks to hedging transactions.

Similarly, the Indonesian copper operations remained profitable while the contribution to earnings of the oil and gas operations increased again-cantly because of the \$294m acquisition of Midlands Energy and the joint purchase of Veyager Petroleums in Canada. Meanwhile, Freeport is "pro-ceeding satisfactorily" with the

agreement to sell its Freeport Kaolin subsidiary to Engelhard Corporation for \$100m in cash

MINING NEWS

# Weak U.S. prices leave Asarco with \$306m loss

AN AWESOME 1984 fourth-AN AWESOME 1884 fourth-quarter loss of \$236m (£212m), or \$9.32 per share, has been sustained by Asares, the major U.S. producer of non-ferrous metals. It compares with a net profit of \$11.7m in the same quarter of 1983 and makes a total net loss for 1984 of \$306m, or \$12.56 ner share, against

In line with the warning given by the company last month, the latest quarterly loss has been

swollen by the need to make write-offs of \$216m. They reflect the suspension, or permanent closure, of some of the plants and mines; asset value write-downs; and a second quarter charge of \$38m for the planted closure next month of the and mines; asset value writeet downs; and a second quarter
e charge of \$38m for the planned
a closure next month of the
t. Tacoma, Washington, copper
t smelter.

Asarco has been hard hit by
weakness in the U.S. prices of
its major products, silver, copper
and—in the second half of last
year—lead and zinc. Low prices

which are also large
producers of non-ferrous metals.

During the fourth quarter of
1984 producer prices of silver
averaged \$7.17 per oz against
\$9.27 a year previously; copper
63.7 cents per lb (68.2 cents);
and lead 23.2 cents (47.5 cents).
For the full year silver averaged
\$3.14 against \$1.144 and copper
66.9 cents against 76.5 cents.
Sales last year were \$1.3bn
against \$1.5bn in 1983.

## Cash aid for Mount Lyell mine

private power system used by the mine.

THE Mount Lyell copper mine in Tasmania, which had been expected to close at the end of this year, is to stay in production until 1989 with the help of A\$10m (£7m) of financial assistance from the state govern-

The operating company, A\$5n Renison Goldfields Consolidated, state. warned last October that the mine would have to close either by December this year or at the latest in 1988 after losses totalling A\$14.98m in the three years to last June. Renison is 48 per centaward by London. 49 per cent-owned by London-based Consolidated Gold Fields. The financial aid comes in the

form of a grant of A\$5m from the state government and a further A\$5m from the Tasmanian Hydro Electric Commission for the purchase of the Lake Margaret Power scheme, a

disappointed that the federal government had not been able to play its part by matching the ASSm contribution from the The grant from the state re-flects its concern at the employ-ment implications of the closure

ment implications of the closure of a major mine on the island's sparsely-populated west coast. Mount Lyell is Australia's second-largest copper mine behind Mount Isa in Queensland. and produced 23,471 tonnes of copper contained in concentrates in the 12 months to June 30

Announcing the offers earlier mine had also been assisted by this mouth, Mr Robin Gray, reductions in charges from Tasmania's Premier, said he was companies involved in the transport and processing of Mount Lyell's concentrates and by the co-operative attitude of the workforce and unions.

In return for the aid package. Mount Lyell is to pay additional royalties to the Tasmanian authorities equal to half of any positive operating cash flow from the mine, up to a maximum of

The mine will be released from its commitment to remain open if there is any substantial deterioration in the price of copper or of its gold and silver by-products.

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## Accountancy Appointments

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**ACCOUNTANCY** 

Accounting Information System

# Financial Controllers

United City Merchants PLC is an international Trading and Trade Finance group, presently expanding its trading base both by acquisition and organic growth. This expansion necessitates the appointment of two qualified accountants as Financial Controllers in two key business areas.

#### International Trading/ Computer Products

London based + car & benefits (Ref: ITCP/FT) Our international and rapidly growing general trading and computer distribution businesses require the appointment of an entrepreneurial Financial Controller to assist the Divisional Managing Director in the implementation of tight financial control of the various subsidiaries and also to

tation of new business opportunities. Applicants should be commercially minded, self starters, with 1-2 years post qualifying experience and a first class track record in an international accounting firm.

play a key role in evaluation and implemen-

#### Chemicals

Timbridge Wells (Ref: ALLW/FT): + car & benefits Our subsidiary Alwitt Limited is an established and successful company specialising in the marketing and distribution of

The continued expansion of the business necessitates the appointment of a technically strong Financial Controller (Director Designate) to strengthen the management team.

Reporting to the Managing Director, the Financial Controller will have specific responsibilities for the Financial and Administrative functions within the com-

pany and will ideally have had exposure to a sales/marketing environment. Please write in confidence enclosing a full C.V. and quating one of the above references to: S. E. Oakley, Group Finance Director, United City Merchants PLC, UCM House, 3/5 Smallow Place, Princes Street,

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# **Group Accounting**

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Our client is the market leader in its field with turnover now in excess of £120m. The Group Accountant wishes to recruit a young (23 – 28 year old) qualified ACA or finalist for his small Head Office team.

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For further information please write with full C.V. or telephone Martin Krajewski in

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Over-the-Counter Market

		_						
							P/1	
					Gross	Yield		Fully
uik	Low	Company	Price	Change	div.(p	) %	Actual	texe
	123	Ass. Brit. Ind. Ord	142		6.6	4.4	7.9	9.4
144	135	Ass. Brit. Ind. CULS	150	_	10.0	6.6		
151	51		53		6.4	12.1	5.9	7.0
77			37	_	2.9	7.8	4.6	7.7
42	26	Armitage & Rhodes	138	_	3.4	2.5	13.9	23.2
138	108		48 -	=	3.5	7.3	5.6	8.0
58	42	Bray Technologies	170	=	12.0		-	· <u></u>
201	170	CCL Ordinary	110	=	15.7	13.8		
152	110	CCL 11pc Conv. Pref	812	+2	5.7	0.7	=	
812	100	Carborundum Ord	86	<del></del>	10.7	12.4	≕	_
86	84	Carborundum 7.5pc Pf.	43S	=				
103	43	Cindico Group		=	<u>-</u>			9.4
73	51	Deborah Services	61 281		8.5	10.6	6.1	
281	182	Frank Horsell	243	+2			11.3	14.6
243	170	Frank Horsell Pr.Ord.87	32		9.6	4.0	9.8	12.8
32	26	Frederick Parker	52 52	+1	4.3	13.4	7.	-7
52	33	George Blair	28	=	2.7	9.6	3.5 7.7	7.0 8.3
50	27	Ind. Precision Castings						
218	186	lais Group	186	_	15.0	0.8	7.4	13.4
124	104	Jackson_ Group	104	_	4.9	4.7	4.8	9.4
285	213	James Burrough	277	. =	13.7	4.9	9.8	9.8
93	83	James Burrough Spc Pl.	90x		12.9	14.3		
86	71	John Howard and Co.	8 <del>6</del> 156	_	5.0	5.8	8.8	12.8
158	100	Linguaphone Ord		_	45.5	45.5		_
100	93	Linguaphone 10.5pc Pf.	95	_	15.0	15.8		
602	300	Minihouse Holding NV	604		3.8	0.6	43.5	47.0
120	31	Robert Jenkins	36	+1	5.0	13.8		
60	28	Scruttone "A"	31	_	5.7	18.4	16.3	3.8
92	61	Torday & Carlisle	.79	=			8.8	18.0
444	370	Trevian Holdings	370		4.3	1.2		20.7
27 98	17	Unilock Holdings			1.3	5.2	12.1	17.5
38	61	Walter Alexander	93	_	7.5	8.0	9.2	11.3

247 224 W. S. Yeates.... 224 - 17,4 7.7 5.4 10.7 S∞Suspended Prices and details of sarvices now available on Prestel, page 48148

#### **BASE LENDING RATES**

A.B.N. Bank 14 %	# Hill Samuel514 %
Allied Irish Bank 14 %	C. Hoare & Co
Henry Ansbacher 14 % Amro Bank 14 %	Hong Kong & Shanghai 14 oz.
Amro Bank 14 %	Johnson Matthey Bkrs 14 %
Armco Trust Ltd 141%	Knowsley & Co. Ltd 1419.
Associates Cap. Corp 14 %	Lloyds Bank 14 %
Banco de Bilbao 14 %	Edward Manson & Co 15 of
Bank Hapoalim 14 %	Meghrai & Sons Ltd. 14 %
BCCI 14 %	Midland Bank 14 %
Bank of Ireland 14 %	■ Morgan Grenfell 14 %
Bank of Cyprus 14 %	Mount Credit Corp. Ltd 14 %
Bank of India 14 %	National Bk. of Kuwait 14 %
Bank of Scotland 14 %	National Girobank 14 %
Banque Belge Ltd 14 %	National Westminster 14 %
Barclays Bank 14 %	Norwich Gen. Tst 14 %
Beneficial Trust Ltd 15 %	People's Tst & Sv. Ltd 15 %
Brit Bank of Mid. East 14 %	Provincial Trust Ltd. 15 %
■ Brown Shipley 14 %	R. Raphael & Sons 14 %
CL Bank Nederland 14 %	P. S. Refson 14 %
Canada Perm'nt Trust 14 %	Roxburghe Guarantee 141%
Cayzer Ltd 14 %	Royal Bank of Scotland 14 %
Cedar Holdings 13 %	Royal Trust Co. Canada 14 %
■ Charterhouse Japhet 14 %	J. Henry Schroder Wage 14 %
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Chaulartons**	Standard Chartered 114 00
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#### **BIDS AND DEALS**

## Beecham launches agreed £13.7m bid for UniBond

BY GORDON CRAMB

Beecham, the pharmaceutical of its expanded capital. and consumer products group, yesterday launched an agreed bid worth up to £13.74m for UniBond (Holdings), an adhesives and sealants maker which came to the USM a year ago.

Family and associated holdings account for some 60.2 per cent of UniBond, and have been pledged to acceptance of the

Beecham, which has no Uni-Bond stake of its own, is offering 45 of its own shares for every 71 in UniBond. A cash alternative of 225p per share can be accepted fully or in part. Shares in Unibond, suspended ahead of the announcement, returned yesterday to close 63p higher at 218p, while those of Beecham added 3p to 358p.

UniBond shareholders will receive a second interim divi-dend of 1p net, making a year's total of 2.5p, and the new company's old site nearby, and Beecham shares issued will instead begin production there qualify for the current year. The now have been imported from Beecham shares issued will West Germany.

The acquisition would take Beecham into the first division of the UK home improvement market, the company said. Together with UHU and Copydex, which it already owns, Beecham's share of a fragmented UK market for adhesives and sealants would reach about 84 per cent.

Beecham intends to group the three businesses into division headed by Mr Lee Bushby, managing director of UniBond. Mr Ian Bushby, his brother-currently UniBond's export director-will also have his role director—will also have his role extended to cover all of Beecham's UK operations in

UniBond, based in Camberley, Surrey, is in the process of moving into a new factory and office complex. Beecham said it would scrap plans to sell the company's old site nearby, and

businesses in the U.S. and France, all acquired in the last two years as part of an attempt to establish an international presence in home improvement.

presence in home improvement. It said yesterday it saw potential in integrating their activities, particularly at the research and the marketing ends.

Beecham is not seeking any further acquisitions on the home improvement side, but will pursue its strategy of expanding its consumer products side generally. Last December it bought British American Cosmetics from BAT Industries for £125m.

The £13.74m value put by Beecham on UniBond is based on the assumption of the full exercise of options held by Unibond staff. Beecham intends to extend the offer to the option

European Earthmovers.

Mr Peter Judson has joined Stoke-on-Trent-based CHAR-RINGTONS CONTRACT LEAS-

ING, as director of sales and

On reaching retirement age, Mr Peter C. Chivers has retired from the board of W. E. CHIVERS & SONS but remains as a non-

executive director of W. E. Chivers Holdings. His son, Mr Graham J. Chivers, chief accountant of W. E. Chivers & Sons

to extend the offer to the option holders.

Among the conditions attaching to the offer are the verifying of estimates for UniBond's 1984 trading performance. Pre-tax profits are expected to rise from £688,000 to at least £500,000, on turnover up from £8.6m to a minimum of £10.5m.

## C & W selling four subsidiaries

pead maintenance subsidiaries to BCL. The deal is expected to be worth less than £10m.

This is part of BCI's plans to

become a leading force in the third party maintenance of computers in Europe. Last autumn it bought General Computer Systems, a small privately-owned British company which was one of the leading third party main-

AN AGREEMENT in principle (Italia) SpA. Neither company has been reached between Cable would comment on the value of the deal other than to say the net assets of the four companies being sold represented less than the deal other than to say the net assets of the four companies being sold represented less than the deal other than to say the net assets of the four companies being sold represented less than the deal other than to say the net assets of the four companies being sold represented less than the deal other than to say the net assets of the four companies. net assets of the four companies being sold represented less than 2 per cent of C & W's net assets at March 31 last.

Main business of the Eurotech subsidiaries is the distribution and rental of computer, data and telecommunications equipment Mr Ernest Potter, finance director of C & W, said yester-

day: "Our decision to seek an appropriate new owner for UKS tenance companies in the UK.

BCI is buying Cable and Wireless UK Services, Eurotech BV,
Eurotechnica SA and Eurotech

been designated as an area of

accelerated growth and the principal vehicle for this expansion will be Mercury Communications and the development of Value Added Network Services."

Mr Rheal Proulx, managing directors of RCI (UK) and the director of BCI (UK), said the move underlined the company's determination to become a lead-ing contender in "the rapidly expanding independent com-puter maintenance market in

Burope."

BCI is a wholly owned subsidiary of Bell Canada Enterprises, which has an nu all revenues of over C\$106n and

## Ritblat claim angers Panel

THE Takeover Panel reacted strongly last night to a bitter statement by British Land made following the property company's failure to win a large stake in Stylo, the shoe retailer. An innovative tender offer by British Land which closed on Tuesday won acceptances covering 6.69m shares but lapsed because it was conditional on securing at least 8m. It was frustrated because Town Centre Securities, headed like Stylo by Mr Arnold Ziff, bought over 2m

Stylo shares in the market.

British Land, headed by Mr

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ciates to canvass their own share-holders and to buy 2.3m Stylo shares in the market through Town Centre, British Land was denied the right of reply or permission to buy shares."

At the panel, Mr Peter Fraser responded: "To say that the Takeover Panel permitted Mr sense. It is not a matter in which Panel permission arises, any more than smoking in tube trains is."

nately, while the Takeover Panel The tender offer, which would prices just above 185p, rose 5p permitted Mr Ziff and his asso- have given British Land a to 48p.

maximum of 50.9 per cent of Stylo's equity but 29.9 per cent of voting rights, technically fell outside the Panel's rules. Mr Fraser said the rules for a tender "are clearly written down. They walked into it with their pare to the property of the style of the style

Shares in Stylo which is Ziff and his associates to canvass - Shares in Stylo, which is their own shareholders and buy tightly controlled by the Ziff Stylo shares in the market family, rose 5p yesferday to 170p, through Town Centre is a non-compared with the maximum compared with the -maximum 185p cash price offered by British Land. Shares in Town Centre, which added to its exist-

## **IFICO terms 'undervalue** E. of Scotand potential'

Industrial Finance and Investment Corporation, a USM-quoted
finance company, yesterday
launched its expected bid for
East of Scotland Oushore, which East of Scotland Onshore, which rejected the offen as not reflect-ing the potential value of its strategic holdings in energy com-

panies.
The offer, in effect a disguised rights issue which would more than double IFICO's issued capital, consists of IFICO shares valued at 118 per cent of East of Scotland's net asset value with a cash alternative at 98.3 per cent of asset value.

of asset value.

The investment trust's net asset value in November was 67.2p per share, or £6.27m in total. Yesterday, its share price fell 2p to 76p, valuing the company at £7.6m.

East of Scotland said the terms fell 2p to 76p, valuing the company at \$7.6m.

East of Scotland said the terms were worse than those previously the company at \$5.7m.

argues that a current upturn in North Sea oilfield services is improving the prospects for such strategic holdings, and that its portfolio cannot be valued along conventional lines.

Shareholders representing 344 per cent of East of Scotland have indicated they will accept IFICO's offer, including an irrevocable undertaking — believed to be by London and Manchester insurance group—to accept in respect of 18.1 per cent. IFICO shares fell 6p to 180p-

## Martin in fresh talks

place between R. P. Martin, the foreign exchange and currency broker, and outside interests which could lead to a management buy-out of the company. On the London Stock Exchange

Forthcoming issues of The news of the talks boosted the shares 20p to 410p, placing a value on the company of £39.8m. At the end of November last year, Martin announced that it Banker will be discussing tunities in great detail. They will also be providing was involved in talks with a was involved in talks with a number of parties, including the management, which might lead to an offer. In January the talks were said to have been to might be the might be t a unique opportunity to advertise the full range of

services you now provide. terminated. Your advertising will be Yesterday's statement said that the board "announce that dis-cussions are currently taking reaching senior management in international banking worldwide. People who

FRESH DISCUSSIONS are taking place, involving amongst others the management of the company which may or may not lead to an offer being made for the share capital of R. P. Martin."

When the first discussions were announced. Mr David McWilliam stressed that the management buy-out proposals should not be interpreted as reflecting any form of dissension within the troop. group, 'Among the outside interests

rumoured to be interested in Martin, and in backing the existmarin, and in backing the existing management in a buy-out, are Security Pacific, a Californian hank which has interests in Hoare Govett, the London stockbroker, and Charles Pulley, 2 jobber.

## **Brit.** Arrow Guinness Peat Group is to enlarge its interest in Britannia Arrow Holdings by buying addi-tional stock in the company from London and Manchester

**Guinness Peat** 

lifts stake in

The new purchases would raise

The new purchases would raise GPG's stake in BAH to almost 28 per cent of the enlarged issued share capital. Last week, the group bought 25 per cent from United Kingdom Temperance and General Provident Institution.

repeated its earlier assertion that it has no plans to bid for the whole of the group. Britannia has already reacted coolly to GPG's approaches.
The terms of the latest pur

chase are the same as UKPI's: three new GPG shares for two BAH, giving the transaction a value of £5.4m, pricing GPG at 72p and BAH at 108p.

#### LMI extends its

cash alternative

London & Midland Industrials London & Midland Industrials (LMI), which has made a share bid worth about £9.5m for Hoskias & Horton, says the cash alternatives worth £8.8m will remain open for 14 days after the February 17 final closing date, provided the offer goes unconditional.

**EIO** offer lapses

The offer by Ecclesiatical Insurance Office for St Andrews Trust lapsed yesterday after receiving acceptances covering 1.97 per cent of the trust's equity. The bid was made for technical reasons and was not intended to succeed. EIO holds 33.3 per cent of St Andrews.

#### BIDS AND DEALS IN BRIEF

Redman Heenan International, the troubled Worcester-based engineering group which last week announced plans to sell its largest manufacturing subsidiary, Froude Consine, yesterday said it would also sell Heenan Drives, which makes variable speed drives.

Redman is due shortly to announce restructuring plans which would leave it without manufacturing interests but with a property portfolio.

Investment portfolios managed by merchant bankers Robert Fleming and Co. hold 12.97m ordinary shares within two years. cent. in Woolworth Holdings.

to be completed by the end of March.

Services, a company providing production testing, wire line and consulting services to the onshore and offshore oil

Petrocon will pay £150,000 cash for new shares in UTS representing 30 per cent of the \* \* \* representing 30 per cent of the BET, the £1.25bn services come enlarged capital and £56,000 in any, has made an offer 10 cash and the issue of 33,347 new

Petrocon shares for a 21 per acquire the publicly-held minority in its subsidiary, BET cent stake held by certain shares of a Scheme of Arrangement under Section 206 of the Companies Act 1948. The offer, which values the minority at £1.1m, is expected to be 31, 1984 and had need to be completed by the section 206 of the Companies Act 1948. The offer, which values the minority at £1.1m, is expected to the section 206 of the Companies and previous shares for a 21 per cent stake held by certain shares to acquire the balance. UTS made pre-tax profits of £59,000 in the nine months to December 31, 1984 and had need to be a 21 per cent stake held by certain shares to acquire the balance. UTS made pre-tax profits of £59,000 in the nine months to December 31, 1984 and had need to be a complete the balance. at that date of £75,000.

The Lovat Enterprise Fund has The Petrocon Group is to buy made an equity investment of 275,000 in K. T. Quirke and Sons Services, a company providing in exchange for 20 per cent of production testing, wire line the capital. The directors intended and consulting services to the to obtain a market in the onshore and offshore oil ordinary shares, or 16.02 per The Quirke family founded the

company in 1969, and it started trading as a petrol forecourt operator. The funds provided are to finance the expansion of the

Financial Times Thursday February 7 1985

## London & Northern posts

LONDON AND NORTHERN and services director, formerly the responsibility in Mr Peter C. Chivers.

Lord Bruce-Gardyne of Kirkden, director of the Central Trustee Savings Bank and NEI International; Mr Anthony Bowring, group solicitor and director of group componies, United Scrap of group componies, United Scrap VICES. He succeeds the late Holdings) and Tactico; Mr ePter Mr P. A. Mahoney, and joined Cameron, chairman of the group UES as operations therefor in

Cameron, chairman of the group-company Cameron Farquhar, he will co-ordinate the UK con-struction interests of the group; Mr John Mackenzie, director of After seven years as g sales manager of HAZEI GROVE MUSIC CO, Cheadle the group's associated company, Tace, and director of Scottish. English and European Textiles;

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Mr Charles Mackenzle, director of group companies United Medical Enterprises and Allied Medical Group and director of Scottish, English and European Textiles; Mr William Samuel, chairman of the group company HP FOODS has named new board following his ser tion from Golden Wonder. Ian Menzies-Gew, who was seconded as operations director to Ross Foods/Youngs Scarcook Textiles; Mr William Samuel, chairman of the group company Steel Stockholdings, he will coordinate the group's interests in oil an dsteel related projects; and as company secretary; Mr Clifford Mullett, group accountant, divisional director and director of the group company furnished the steel of the group of the steel of the group company furnished to Ross Foods/Youngs Seriods from Golden Wonder HP Foods furnished the steel of the group of the steel of the s managing director. Mr Richard currently Golden Wonder Foods personel planning ma Mr Christopher Bayly and Mr
Alan Gayner have been
appointed joint managing directors of GB PETROLEUM CONSULTANTS, a specialist independent petroleum consultancy
financed by Lazard Brothers &
Co. Both were senior experiess ger, is appointed personnel director. Mr. David Wellings, currently chairman and chief

executive of HP Feods and Golden Wonder retains that position in both companies. Co. Both were senior executives with Gaffney Cline. Richard Stein have been appointed non-executive directors of RICHARD CLAY. Prof. Pike is chief scientific officer at the Ministry orf Defence. He is Mr John S. Wetherall has been appointed managing director of CHARTERHOUSE JAPHET (JERSEY) following the resignation of Mr K. P. H. also chairman of Physic the resignation of Mr K. P. H.
Mackenzie as managing director
of Charterhouse Japhet
(Jersey) and associated companies, to take up another
senior appointment in Jersey.
Mr Wetherall was formerly a
director of Standard Chartered
Bank in Jersey. Publications, Adam Hilger the John Wright Publish Group. Mr Stein is finance director of BOC and chief executive, finance, of BOC

LEGAL & GENERAL has made the following appointments at: Legal & General Assurance Society—Mr H. A. Main, to manager (resources); Mr A. G. Redshaw, to manager (life administration) administration); Mr. D. N. Kenning, to deputy regional manager (north); Mr. M. F. Elstone, to manager (personnel); Mr N. A. Moriey, to controller (planning); Mr C. D. Pullar, to assistant actuary (life). At Legal & General Turest-ment Management); Mr D. R. rant of W. E. Chivers & Sons Gourry, to controller (investigant to the board of W. E. Chivers to controller (investigant Holdings. Mr Bruce Hopkins has been appointed to the board of W. E. Chivers & Sons as works

W. E. Chivers & Sons as works

**UK ECONOMIC INDICATORS** 

ECONOMIC ACTIVITY—Indices of industrial production, many facturing output (1980=100); engineering orders (1980=100); retail sales volume (1978=100); retail sales value (1980=100); retail sales value (1980=100); retail sales value (1980=100);

unfilled v	acapcies	(f)(f)(s)	All sea	ennally a	insted.		
	Indl	Mfg.	Eng.	Retail	Retail	Unem-	
1983	prod.	output	order	· vol	value*	ployed	Vaes
4th ctr.	103.5	·· <u>98.i</u>	· - 166 ···	109.9	151.4	2.941	1624
1984	100.3	30.1	100	10929	191,4	2,341	1021
1st gtr.	102.9	97.4		109.0	123.5	2,998	1473
20d-qtr	. <b>100.8.,</b> .		104		139.7	-3.026	- 154.Î
3rd qu.	100.9	. 99.7	" <b>10</b> 1 · ·	T12.5	= 133.8 °	-3,076	1653
4th qtr.			· ···•	115.1	164.0	3,103	166.5
August	100.4	100.0	88	111-3 ·	132.8	3.074	- 162.0
September	101.9	100.3	113 ∷	114.3	134.3	3.096	_170,6
October	103.2	100.0	. 109	113.6	140.3	3.100	: 170.5
November	103.0	100.9		1144 -	150.2	3.102.	. 167.6
December				117.0	194.1	3,108	1613
1985 January	-			•		3,126	1574
<del></del>					_	<del></del>	·

OUTPUT-By market sector; consumer goods, investment goods. intermediate goods (materials and fuels); engineering output, metal manufacture, textiles, leather and clothing (1980=100); housing starts (000s, monthly average). Metal Textile House mnig. etc. starts Consumer Invst. latmd Eng. goods output mnig.

108.5 110.2 3rd qtr. 4th qtr. 1984 94.8 96.4 90.5 93.0 110.4 99.0 93.6 97.9 16,5 1st qtr. 95.2 96.4 98.1 98.0 97.0 99.0 99.0 98.0 99.0 113.9 91.3 91.9 91.0 91.0 95.0 93.0 93.0 2nd qtr. 3rd qtr. 104.8 103.5 107.3 108.6 17.8 16.3 19.4 18.3 15.5 15.0 15.7 105.0 103.0 June July 112.0 106.0 95.0 96.0 96.0 111.0 109.0 August 103.0 102.0 101.0 105.0 109.0 September October 107.0 November 101.0

EXTERNAL TRADE—Indices of export and import volume (1980=100); visible balance; current balance (£m); oil balance: (£m); terms of trade (1980=100); exchange reserves.

Export Import Visible Current Oil Terms Resv. volume volume balance balance balance trade US\$bn\* 4th qur. 1984 107.3 112.9 -221 +350 + 2,099

97.7 17.82 97.3 16.75 96.9 15.51 96.8 15.26 96.3 15.52 96.7 15.35 96.8 15.28 96.8 15.35 96.8 15.35 96.9 15.69 ist qtr. 117.9 -1.238 119.0 -1.565 127.2 -1.212 123.6 -611 124.9 -778 +353 +1,586 -485 +1,739 +516 +1,618 -241 +392 -408 +589 2nd gtr. 108.3 107.4 118.8 3rd gtr. 4th qtr. 118.8 August 111.6 September 107.9 +400 +386 +833 115.6 -- 853 -- 152 November 118.7 +248January

. <u>15.52</u> FINANCIAL—Money supply M0, M1 and sterling M3, bank advances in sterling to the private sector (three months' growth at annual rate); building societies net inflow; HP, new credit; all seasonally adjusted. Clearing Bank base rate (end period).

Bank BS HP Base Bank BS HP Base M3 advances inflow lending rate % & £m £m % MI 10.4 8.8 18.9 2,745 2,774 9.00

4th qtr. 13.6 18.9 9.9 16.9 11.0 2.4 11.4 2,868 8 40 2,870 9,25 2,809 10,50 2,941 9,63 930 10,50 931 17,40 1,003 10,50 967 9,63 971 9,63 2,609 1,795 1,628 2,492 133 887 1st atr. 11:1 6.3 13.4 7.1 4.0 9.6 2nd otr. 3rd otr. 24.5 10.2 24.3 11.4 4th qtr. August September 6.7 9.9 12.2 1,125 363 1,004 October November January INFLATION-indices of earnings (Jan 1980=160); basic

materials and fuels, wholesale prices of manufactured products (1980=100); retail prices and food prices (1974=100); FT commodity index (July 1952=100); trade weighted value of sterling (1975=100).

Earn- Basic Wheele Prices Price (1974=100); Trade weighted value of sterling (1975=100).

Earn-ings\* matis. mnig. RPI Foods comidty Strig. 1983 4th qtr. 1984 153.2 128.4 126.7 341.8 - 316.4 - 298.50 - 83.7 321.7 308.67 81.7 329.1 305.06 79.8 326.8 288.95 78.0 326.8 289.64 74.1 226.9 284.18 78.4 324.9 288.95 77.2 326.2 292.40 75.5 326.6 289.89 75.2 ist qur. 2nd qtr. . 129.0 132.0 350.9 353.9 358.3 354.8 355.5 357.7 132,8 134,3 132,6 133,3 133,9 134.1 140.1 3rd qtr. **159.6** 4th atr. 159.2 August 135.2 137.9 September 159.9 October November December 289.89 75.7 289.64 74.1 296.98 71.5

\* Not seasonally adjusted.

NEW YORK STOCK EXCHANGE 32-33 AMERICAN STUCK EXCHANGE 33-34 U.S. OVER-THE-COUNTER 34, 42 WORLD STOCK MARKETS 34 LONDON STOCK EXCHANGE 35-37

W February

UNIT TRUSTS 38-39 COMMODITIES 40 CURRENCIES 41 INTERNATIONAL CAPITAL MARKETS 42 SECTION III - INTERNATIONAL MARKETS

# **FINANCIAL TIMES**

Thursday February 7 1985

**Bankers Trust comes** back to market with \$300m FRN, Page 42

### WALL STREET

# **Caution** deemed prudent

INVESTORS remained cautious on Wall Street yesterday as they waited for President Ronald Reagan's State of the Union message to Congress, although stocks continued to be heavily traded, writes Terry Byland in New York.

Tensions between the Administration and the Federal Reserve have increased the market's uncertainties over the current trend of the Fed's credit policies. An improvement in the stock market

was aborted at midsession when bond prices weakened on discouraging reports from the auction of \$6bn in 10-year Treasury's new "stripped" bonds, in-tended to widen demand for zero coupon At the close the Dow Jones industrial

average was 4.64 down at 1,280.59.
Stocks in the Detroit car makers turned easier again in response to the latest news from the industry. In addition to the weak final 1984 quarter at General Motors, Detroit has indicated widespread discounting on prices for small cars, as well as a 4.1 per cent dip

in sales of U.S. made cars in the late January period. General motors eased by \$\% to \$80\%,

KEY MARKET MONITORS

Tokyo New Stock Exchange

and Ford at \$46% gave up \$%. Also weaker were the airline stocks, where price discounting has upset Wall Street analysts. United Air dipped \$% to \$45%, and Eastern, in technical default on its senior debt, shed a further \$% to \$4% after reporting a \$30m loss for January. But Delta, steady at \$44%, continued to out-

son of 1984 results opened. Sears, first of the large chains to report progress, shed

The Dow average was helped by IBM, 5% up at \$138%, and again challenging its peak levels. Honeywell, \$1/2 up at \$64%, remained firm but attracted only modest turnover. Tandy Corporation, the Radio Shack group, jumped \$1% to

comment from brokerage analysts, had an active session. Inland Steel gained \$\% to \$25\%, LTV \$\% to \$12\% and Bethlehem Steel \$\% to \$20\%. Armco Steel put on \$\% to \$11\% following the latest trading results.

in Philips Petroleum as speculators awaited developments on the bid proposal from Mr Carl Icahn. The stock eased \$% to \$50%, against Mr Icahn's indi-cated price of \$55 a share, or \$8.5bn for

But some nervous speculators bailed out of Unocal, widely rumoured to be the next target of Mr T. Boone Pickens,

1350

300

1250

1050

1000

950

900

10.9475

3.045

2,199.5

13%

5% 6%e

11%

9%

8.125

Price Yield

9911/52 9.979

98% 11.15

11.55

77%

4.055

1.483

10.95

3.05

4.065

71.8

2,202.5

13174

5%s

6%s

874

8.50\*

8.10°

whose deal with Phillips now hangs in the balance. At \$45%, Unocal fell \$1%, with more than 2m shares traded as some holders decided not to wait for tomorrow when, claim the rumour-mong-ers, Mr Pickens will file his intentions with the Securities and Exchange Com-

TRW gained \$1 to \$79% on its increased profits, and similar news belped

In the largest block trade ever re-corded on the American Stock Exchange, a 6m share block of BAT Indusshare making a total value of \$25.5m. The previous record trade by ADR vol-

8% per cent brought falls of several basis points in Treasury bill rates, but money market rates edged higher. In the bond market, prices opened lower despite the success of Tuesday's auction of Treasury securities. The longer-dated issues to be auctioned yesterday and to-day present a more serious test of mar-ket confidence. At midsession the whenissued yield on the 10-year Treasury notes due for auction had risen to 11.37

### LONDON

# **Impressive** rebound from losses

EARLY LOSSES were overturned in London bond and equity markets yesterday. The performance was considered impressive because they initially had seemed set to fall as UK money market rates rose and sterling traded uneasily against a strong dollar.

These dual influences cancelled hopes

of an immediate reduction in bank lending rates but failed to remove the prospect of a cut before next month's budget. Leading shares and gilt-edged stocks both suffered, but the lower prices, instead of attracting sellers, drew renewed small support. Markets rallied swiftly before easing again in the absence of any follow-through demand. They then improved again in front of the New York market opening. Blue-chip industrials led the movement, and the FT Ordinary index, which began 5.4 down, closed a net 0.9 up at 983.3.

The equity session was not without colour. Many situation stocks came into their own, and bid speculation surrounded leading issues such as Thorn EMI and Debenhams. The former, which last autumn was rumoured to be the target for a U.S. predator, rose 20p to 460p on talk that a consortium was building up a share stake. Several possible suitors were mentioned for Debenhams, 23p up at 216, including Hanson

Lex, Page 22; Chief price changes, Page 34; Details, Page 35; Share information service, Pages 36-37

### SINGAPORE

PROFIT-TAKERS dominated Singapore trading, and the Straits Times industrial index dropped 12.99 to 812.52 on volume that slipped to 13.4m shares from Tuesday's 15.6m.

Among leading blue chips to suffer were OCBC, 20 cents off at S\$9.25, and OUB, 6 cents down at S\$3.90.

In plantations, Kulim shed 5 cents to S\$2.15 and KL Kepong retreated 4 cents to S\$2.38. Scattered buying interest in Consolidated Plantations failed to stop a 3-cent slide to S\$2.75.

UOL, in a much-beleagured property sector, was actively traded but slipped 3 cents to S\$2.24 while Selangor weakened by 6 cents to S\$2.11.

### **SOUTH AFRICA**

A FIRMER BIAS was detected among Johannesburg gold shares as the bullion price held to its higher level. Early trading oscillated partly due to the strength-

ening of the rand against the dollar.
Buffels finished 75 cents stronger at R67.75, although Driefontein was un-changed at R49. Elsewhere, South African Land and Exploration firmed 15 cents to R5.65, and Consolidated Modderfontein managed a similar advance to R10.50.

Two listed asbestos producers, Gefco and Msauli, extended the previous session's strong gains in a continued re-sponse to the U.S. Environmental Protection Agency's softening of its antiasbestos stance. Msauli managed a 20cent surge to R1.25, and Gefco edged up a further 10 cents to R1.70.

### CANADA

MODERATE GAINS were scored by gold, oil, metal and management stocks

Among the more actively traded issues, Dome Petroleum, which signed a debt rescheduling pact with 56 lenders, rose 18 cents to C\$2.78 on turnover of over 200,000 shares.

Elsewhere, Power Corp, selling 4m shares at C\$28 each in an offering due to close next week, gained C\$\% to C\$29\%. Banks were one of the few sectors to display weakness in Montreal.

### EUROPE

# **Dollar lends** momentum to surge

THE CONTINUED strength of the dollar underpinned trading in many European centres yesterday, and further records

were chalked up in the Netherlands, Switzerland, France, Italy and Norway. In Frankfurt, where the dollar reached a 13-year high, shares continued their broadly-based recovery after Monday's sharp fall, and the Commerzbank index added 11.8 to 1,147.2.

Very heavy foreign demand was reported for Siemens in the wake of Tuesday's announcement of higher firstquarter net profits and a 1-for-17 rights issue. The share surged to DM 534.50 at one stage before settling back to close a net DM 21 higher at DM 533.

Banks and financial service issues returned to favour as interest rate worries receded. Deutsche Bank put on DM 6 to DM 400, Commerzbank DM 2.50 to DM 168 and Dresdner 90 pfg to DM 188.70. Insurer Allianz ended at DM 1,043.50,

ex-rights, picking up DM 19.50.

Nixdorf, the data processing company, added DM 8.50 to DM 532 as it announced a 21 per cent rise in sales last year and forecast higher profits. Other high technology issues were subject to profit-taking, with IWKA down DM 6.50 to DM 288.50.

In a mostly firmer motor sector, VW rose DM 4.60 to DM 198.10, BMW DM 1 to DM 360 and Daimler DM 4.50 to DM 627.50. However, Porsche slipped DM 2 to DM 1,073; it is to propose a DM 8 dividend for each DM 50 par valued preferred share.

Renewed domestic demand in the bond market enabled prices to close steady in moderate turnover. The Bundesbank sold DM 37.3m of paper after sales totalling DM 12.3m the previous

Some selling pressure emerged in Amsterdam following Tuesday's sharp gains, but this was easily absorbed, and the ANP-CBS General index edged 0.3 ahead to another record of 198.5.

The international sector was the major beneficiary of the strong dollar. KLM picked up early losses to close 40 cents ahead at F1 49.6, ex-scrip, ahead of today's third-quarter results. Hopes have been expressed that if the figures are as good as expected, the airline may announce its first dividend since 1978. A

9 per cent increase in traffic figures for January, also encouraged optimism. Enka, its West German subsidiary unveiled preliminary results showing that 1984 net profits more than doubled to

around Fi 222m. Publishers were lower, with Elsevier down FI 1.70 at FI 111.80. VNU shed FI 3 to Fl 212 as it agreed to merge its pay television operations with Filmnet and

secure a near-monopoly of the market. The bond market managed to consolidate after its recent declines although persistent fears about the outlook for interest rates left investors adopting a

Uncertainty over interest rates also proved an inhibition to Zurich trading although the Swiss Bank industrial in-

cautious view. Bond prices were narrow-

dex added 3.1 to a peak 414.60. Nestlé was in demand, adding SwFr 135 to SwFr 6,335 while Alusuisse posted a sharp SwFr 48 rise to SwFr 845.

Oerlikon-Bührle put on SwFr 35 to SwFr 1,405 as the market reacted to Tuesday's announcement that the company expects to break even in 1984 after the previous year's consolidated net loss.

Bonds recovered from their recent

A broadly-based advance in Paris took the Indicateur de Tendence up 1.1 to a

market trading.

record 107.90. Some surprise was expressed at the firm tone of the market in view of the outlook for interest rates and Tuesday's announcement that the French Government's state loan is being raised by FFr 5bn to FFr 20bn.

sharp mark-downs although volume was

small with the overhang of new issues

limiting buying interest in secondary

An advance was also seen in Brussels where Petrofina gained BFr 40 to BFr 7,200 despite the announcement by its U.S. subsidiary of a decline in 1984 net

A sharp BFr 400 rise to BFr 6,700 was seen for retailer Delhaize.

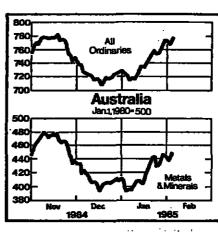
Institutional demand in Milan, particularly from rapidly-growing mutual funds, took the Banca Commerciale index up 4.52 to a record 268.90, after recent profit-taking. The rally was broadly based, despite measures by the stock exchange regulatory agency, Consob, to dampen buying enthusiasm.

Hotel group Ciga added L410 to L7,010 despite the imposition of a 100 per cent margin requirement on share dealings early in the day.

An improvement in communications issues helped Madrid higher while in Oslo, the SE index registered a 3.48 rise to a peak 334.86.

Stockholm was mixed to higher in heavy turnover. Electrolux added SKr 12 to SKr 301 in reaction to Tuesday's announcement of a higher dividend.

Pharmacia, the biotechnology and pharmaceuticals group, dipped SKr 11 to SKr 213 as the market continued to react to Volvo's purchase of a controlling stake. Volvo fell SKr 4 to SKr 299.



### AUSTRALIA

HIGH-TECHNOLOGY and resource issues were two of the brightest spots in active Sydney trading that took the All Ordinaries index 5.3 higher to 777.9, just 10 points below its peak registered a

Sharp rises among some technology issues prompted queries from the stock exchange about the price movements. Newtech, which gained 40 cents to A\$3.10, referred to a December announcement over talks with a U.S. group for a computer memory device. Sarich notched up a further 20-cent gain to A\$4.90, and Vapocure, which holds a fast-drying paint process patent, scored a 50-cent advance to A\$5.70.

Among the resource stocks, miners were firmer on the strength of the international gold bullion price. Western Mining added 10 cents to A\$3.30, Comalco moved 7 cents ahead to A\$2.40 and

BHP rose 6 cents to A\$5.26. Bridge Oil jumped 20 cents to A\$2.25 on high turnover while Vamgas gained 10 cents on the day to A\$3.35.

Banks were little changed, with Westpac 2 cents stronger at A\$3.55 and ANZ steady at A\$4.75.

The situation stocks witnessed Wool-

worth slip 1 cent to A\$3.46 on high vol-ume. Lifesavers, for which Nestlé has made a A\$3.30 a share takeover offer, dipped 4 cents to A\$3.56.

### TOKYO

# **Broad base** to revival of buying

BUYING INTEREST built up in Tokyo yesterday, taking in not only biotechnology-related stocks but also mediumpriced and cash-traded issues and those related to China, sending prices moderately higher, writes Shigeo Nishtwaki of Jiji Press.

The Nikkei-Dow market average

gained 43.74 to 11,867.17. Volume totalled 402m shares, compared with the previous day's 408m. Declines outnumbered advances by 386 to 321, with 183 issues unchanged, indicating the market was still in a liquidation mood.

Biotechnology-related issues mained in the spotlight. Nippon Oil and Fats, which had been in a correction phase after the brisk trade of late December and early January, topped the active list with 20.88m shares changing hands and rose Y67 to Y817 on speculative buying.

Kuraray gained Y60 at one stage but later came under profit-taking pressure to finish Y40 lower at Y1,150. Dainippon Pharmaceutical leaped Y250 to Y5,500.

Teijin added Y13 to Y453 on reports that the company will launch joint development of an anti-cancer agent with two drugmakers - Yoshitomi Pharmaceutical and Wakunaga Pharmaceutical. Yoshitomi also advanced Y44 to Y805.

Green Cross, however, which fared well the previous day, fell Y50 to Y1,930. It was the third busiest stock with 15.07m shares traded.

Buying interest in China-related issues revived. Fuji Heavy Industries spurted Y43 to Y600, on its plan to increase truck and bus exports to China. lino Kaiun closed Y75 higher at Y545.

NCR Japan, a medium-priced blue chip, added Y150 to Y1,470. Toei also gained Y35 to Y495, reflecting investor expectations that the firm will enter the new media business. Sintokogio moved up Y77 to Y594 on prospects that the company can improve its business performance in the year ending in April.

Declining long and short-term U.S. interest rates restored calm to the bond market, although trust banks and major institutional investors retreated to the sidelines. Bond prices continued to fall on heavy selling by smaller securities companies, discouraged by the yen's plunge against the U.S. dollar. The yield on the benchmark 7.3 per

cent government bonds, due in December 1993, dropped to 6.660 per cent from 6.690 per cent the previous day in response to smaller brokerage houses' small-lot buying.

### **HONG KONG**

THE SHADOW of a stronger U.S. dollar hung over Hong Kong as many investors revised their estimates of corporate trading results due soon. The Hang Seng index fell 19.16 to 1,333.31 for the regular half-day session.

The leading ranks saw setbacks for Cheung Kong, 20 cents weaker at HK\$13.10, Hongkong and Shanghai Bank 10 cents off at HK\$8.70 and Hongkong Electric 15 cents cheaper at

Elsewhere, Hutchison Whampoa plunged 50 cents to HK\$19.50, Jardine Matheson shed 35 cents to HK\$8.30 and Sun Hung Kai retreated 20 cents to

Some buying support was detected for Hongkong Wharf on the hope of a relatively good result for 1984, but the group finished the day down 10 cents to

This announcement appears as a matter of record only.



## **European Coal and Steel Community**

DM 94,000,000

7%% Deutsche Mark Bearer Bonds of 1985/1992

-- Private Placement --

Issue Price: 100% - Interest: 7 1/2% p.a., payable annually in arrears on December 7 - Repayment: DM 13 million on December 7, 1989 and DM 27 million each on December 7, 1990 to 1992 · Denomination: DM 5,000 · Security: Negative Pledge Clause

> COMMERZBANK **AKTIENCESELISCHAFT**

LLOYDS BANK INTERNATIONAL AMRO INTERNATIONAL BANQUE BRUXELLES LAMBERT S.A. LIMITED

BANQUE GENERALE DAI-ICHI KANGYO INTERNATIONAL **DU LUXEMBOURG S.A.** 

SCHWEIZERISCHE VOLKSBANK

**SOCIETE GENERALE** 

HAMBROS BANK

STOCK MARKET INDICES

700i

DJ industrials	1,280.59	1,285.23	1,174.31
DJ Trænsport	617.14	626.11	527.66
DJ Utilities	149.98	149.88	131.26
S&P Composite	180.43	180.61	_ 158.08.
ONDON			
FT Ord	983.3	982,4	805.2
FT-SE 100	1,289.5	1,289.1	.1,038.2
FT-A All-share	619.42	617.67	486.24
FT-A 500	676.97	675.86	519.46
FT Gold mines	487.8	474.3	604.7
FT-A Long gitt .	10.85	10.86	10.21
OKYO			-
Nikkei-Dow	11,867.17		
Tokyo SE	918.93	917.65	773.15

10kgo oz			
AUSTRALIA All Ord.	777.9	777.2	778.3
Metals & Mins.	448.8	444.9	551.4
AUSTRIA Credit Aktien	62.21	61.88	55.43
Belgien SE	2,152.66	2,147 <u>.2</u> 9	
CANADA		•	-
Terente Metals & Minis Composite	2,193.7° 2,619.8°	2,176.7 2,605.2	2,222.0 2,415.9
<b>Montreal</b> Portfolio	132.89*	131.81	118.44
DENEMARK Copenhagen SE	n/a	172.89	221.55
FRANCE CAC Gen Ind. Tendance	197.3 107.9	196.0 106.8	165.2 88.3
WEST GERMANY FAZ-Aktien Commerzbank	395.09 1,147.2	389,42 1,135,4	364.98 1,078.5
HONG KONG Hang Seng	1,333.31	1,352.47	1,134.12
HALY Banca Comm.	268.90	264.38	228.25

1,333.31	.(,002.47	1,134.12
268.90	264.38	228.25
198.5 157.2	196.2 156.7	168.2 138.3
334.86	331.38	238.17
812.99	825.13	1,068.38
- 929.4 862.8	924.6 862.8	872.1 970.4
115.29	114.63	77.2
1,485.25	1,485.01	1,593.52
414.6	411.5	370.7
	268.90 198.5 157.2 334.86 812.99 929.4 862.8 115.29	198.5 196.2 157.2 156.7 394.86 331.38 812.99 825.13 929.4 924.6 862.8 862.8 115.29 114.63 1,485.25 1,485.01

					·
SWITZERLAND Swiss Bank Ind	414.6	411.5	370.7	Three-month Eurodo \$1m points of 100% March 90.94	
WORLD Capital Int'l	Feb 5 195.8	Prev 195.6	Year ago 184.3	20-year Notional Gift c50,000 32nds of 190%	
GOLI		eb 5	Prov		DITIES
London Zürich Parts (fibring) Luxembourg New York (Feb)	\$\$ \$\$ \$\$	303.00 303.35 303.28 303.45 302.20	\$302.25 \$302.25 \$300.62 \$302.00 \$302.30	(London) Silver (spot frong) Copper (cash) Coffee (Mar) Oil (spot Arabian Light)	Feb 6 557,05p £1,259,50 £2,393,50 \$27,90
A A A STATE OF THE				On following regions:	<b>~</b>

perform the sector. Retail stocks were mixed as the sea-After disclosing lower earnings for the final quarter, K mart, the discounter, also gave ground, slipping \$% to \$40. But some department stores moved up, led

by Federated Department, \$% up at \$55% and J. C. Penny, \$% firmer at \$48%.

\$30% in heavy trading. Steel shares, attracting favourable

Once again there was heavy turnover

the total Phillips equity.

U.S. DOLLAR

Feb 6 Previous

2.742

3.651

1,980.5

64.55

U.S BONDS

9911/2 9.996

Feb 6\*

98% 11.15

78% 11.75

89% 11.90

12¼ Dec 2012 99½ 12.30 99½ 12.30

FINANCIAL FUTURES

es of Deposit (HIM)

77% 9.35

Yield

101% 11.344 102% 11.17

101% 11.376 101% 11.302

1037% 11.336 1037% 11.277

96% 11.25 96% 11.25

99% 11.90 99% 11.90

72-04 72-28 72-04 72-22

91.75 91.87 91.74 91.79

91.08 91.27 91.06 91.20

.. 90.94 90.99 90.90 90.90

103-26 103-28 103-14 103-25

£1,259,50 £1,269.50

£2,393.50 £2,392.00

9.8375

2737

3,649

1,977.5

3-month U.S.\$

6-month U.S.\$

U.S. Fed Funds

11%

11覧 2014

10% June 1990

3% July 1990 8% May 2000

101/2 March 1993

Dlamond Shamrock

10% May 2013

11.80 Feb 2013

8% 32nds of 100%

\$1m points of 100%

March

Merch LONDON

U.S. Treasury Bills (IMM) \$1m points of 100%

Abbot Lab

Federated Dept Stores

Pitney-Bowes \$% up at \$43%.

tries of the UK changed hands in the form of ADRs - 1 ADR equals one share of BAT. The deal was done at \$4.25 a ume was in October 1983 when 3m shares of ICI of the UK was traded for a value of \$26.6m. The BATs block was handled by Goldman Sachs. A further easing in federal funds to

per cent. The key long bond was 21/22 down at 10311/42.

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Continued on Page 33

后我交替我使为激数年后我最好的,在我们就看到我们,我们这位我们就是我们的我们就就要要自己的我们就就要要说我们的我们的我们的,我们们是我们的,我们们们是我们的人们

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NEW YORK STOCK EXCHANGE COMPOSITE CLOSING 糖 克里斯特的多数变性化的复数多种的生活需要的过去式和过去分词 医克里克斯氏性 医克里氏试验检尿病 医多种氏病 医克里斯特氏病 医牙 医 不好的不会 对外人的情况 的复数假门的 化多数聚化 医骨髓化热 电电子数十分过去分词表现了这种现在分词的人名英格兰人姓氏克勒克斯的 Name of the second seco 根据处理5.40的 15.40 16.16 1 LISTS BY TOUS BY LINE BY SEE STATE BY LINE BY Remarks of the second s Fairle Fa ପଞ୍ଚଳ ନିର୍ଦ୍ଦି ଓ ଅନ୍ତର୍ଜ୍ୱ ବର୍ଷ ଅନ୍ତର୍ଜ୍ୱ କରିଥିଲି । ଅନ୍ତର୍ଜ୍ୟ କରଥିଲି । ଅନ୍ତର୍ଜ୍ୟ କର 4501 5277 - 556 - 感受局部为感受感受口病与感到激烈的感受感觉感觉的感觉的激发激发感觉感觉,有不过有情况可以感觉感觉作用感觉后或是感染困难。 **广河南南南水流西南安南南南河南南南南南北南南南南南南南南南南南** 我只有多句的,也是有人的对人的对象,我们是一个人的,我们就是一个人的,我们也是一个人的,他们也是一个人的,也可以是一个人的,我们的一个人的,我们就是一个人的,我们 Belification of the control of the c 120 45 8 p5225 12. 1 28 20 05e 5 51.52 4.1 8 p24 65e 10 .55 13 11 .55 2.5 14 60 2.5 15 p1 61 13. 新山野野 16 野山地野野西南野野野野野野野野野野野野野野野野 - 1g + 11g - 1g - 1g + 1 + 1 + 2g G-150 5 p 120 34 - GO 5 87 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 255 2 2519 1 2519 2 2519 1 2519 2 2519 1 2519 2 2519 1 2519 2 2519 1 2519 2 2519 AFFEXXACO GARAXXACO GARAX 然我想得到这天的情况是我的说话的话,我们也没有我们的话,我们也是我们的话,我们也是一个,我们也是我们的话,我们也是我们的话,我们也是我们的话,我们也是我们的话,我 5日然感觉者,反为心情失为心心情感到心态情况也被感染也是这样的另外似乎不知,那只有了他人用心态仍不知识也不可能心情也仍可以什么思想的是令人说的话的话的说法的 Dates
Dates 2.似乎的话的1.如此他的话的话的话的对话的话,我们是不是不是一个人,我们是一个人,我们们是一个人,我们是一个人,我们也是一个人,我们也可以是一个人,我们也可以 2. 化多数分析 1. 多时,1. CRITIC CONTROL 仍然不可仍然6 对你就传教你也没什么好的女的。 那些只见你的们就没看这个眼睛我的我们都没想到我们就说这个对话说话的只要说到 **阿克尔马尔斯斯克斯斯斯斯斯斯** 1 390 519 pt 275 10 pt 275 7227 6 1203 56 150 11 3 56 57 44 51 1947 63 461 1947 63 1947 63 1958 52 1958 52 2550 2 1.20 32 15 1.20 32 15 1.30 4 1 10 1 4.1 17. 8 80 33 14 1 40 55 14 +1 +1 +1 -1 +1 1 25 18 48 22 18 10 32 18 6 patr 5 10. 25 15 50 .12 9 9 40 25 15 50 15 50 15 50 15 50 15 50 15 50 16 7 patr 10 25 18 122 4.47 18 1.22 4.47 51 1.22 8.3 7 11 120 8.3 7 NAFCO
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1 10 一面的更新可能也可能是100万元的地位的最后的,我们也是有效外的情况的,他是他们的最后,他们是我们的,他们是我们的是他的,他们是我们的人们, Ground Grubel Grunn Grunn Grunn Guthiri Guthi Guthiri Guthiri Guthiri Guthiri Guthiri Guthiri Guthiri Guthiri Nil Jabes Nil Prest Nil Jabes Nil Ja THE STANTANT OF THE STANTANT O + 1.12 - 1.2 多对数2 不生,6 的复数记的方式处理已经过多数,是不干人口们不是你们我们来上处的方式在这种有过了一种是是有话的第三人称:6 的复数 EGG
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English
Essoo
Essalar
Essa 32000年4月,如此人名伊尔特斯斯特特加州的人,并是阿特克里里斯特人名斯特斯姆及斯特斯特人的人名英格拉斯人名 HAT BE HARRY 5.我就让头做到中心思想感觉的形然后不到感觉也不像11级的形成16公开的11发光光,是到太寒寒寒的多数的5.红色还是是这种的一个,我就是有什么是这种的一种,这种 23.417.2111年,明从仍然发明存储分别对例以7.18.2515221134,存储了257714.2521333347.1615223335547 544.3317 1122 2514.1118 109 2314.1434 2845.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1434 2945.7146.11 1108 109 2314.1456.11 1108 109 2314.1456.11 1108 109 2314.1456.11 1108 109 2314.1456.11 1108 109 2314.1456.11 1108 109 2314.1456.11 1109 109 2314.1456.11 1109 109 2314.1456.11 1109 109 109 109 109 109 10 Celdad
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18 12 10 2 也是是这样的感情的情况了,我们是想到20日的我们的是我们是我们的是是我们的自己的人,他们也是 PHICA PROCESS OF THE 的时代记忆时间的时间记忆到2 5. 多数数数形式器形态 多数数字表面数据形式的现在分词用数多数形式 33.200 2235 75 147 1683 75 18 18 7253 1 44 15 15 2 5 7 5 5 1824 1 1000

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Lasting CDI CHIER CONTRICT CO 他说我看着她的想象我们也是我的我们们也不被想不过的头不知的话的人们我想他怎么的我们也可以的话,我们是我们是我们的人们的现在我们是我们是我们是我们是我们是我们 好外外说以及特别的特殊所谓了2.2017年的各种教育的,从我们是他的特别的经历,我们是我们的人们的人们,不是是我们的人们,我们是我们的人们是我们的人们的人们的人 34 23 15 15 5 1 25 11 15 1 00 25 28 180 84 4 22 22 12 9 28 100 9 15 机断线计器的现在分词 5 为它的现在分词的变形的变形或形式的现在分词 经有效的 10 多数的 11 多风度 医对方的复数形式 医腹腔内膜炎 机汽车线运机 MALGAHAMAN AMARAMAN A 4.12 外域的加入地方的物质方式是一种方式的形式的现在分词形式 E-E-40 48 15 32 21 32 1965 7250 114 225 10 20 11 31 11 132 7 31 21 21 5 5 EAG EECO Englo Entrop Echoll Echoll Echoll Elandri Becsor Emild Emild Englag Englag Espin 的情况处据别的法国政务机名人文·25日的形式777元 智见计例的图象型为代码的对线通知的图片图片图片图片思想的思想的数据形式(数据形式中间图形为语言)17万代数15次图片图片的形式图片的图片 他多数数数=25007051777613131495574313153+205351312383351286101210数,567231325 456172214721446558588 POEDA ។ មេសាស្រ្តាំ មេសាស្រី មេសាស្រ្តាំ មេសាស្រ្តាំ មេសាស្រ្តាំ មេសាស្រ្តាំ មេសាស្រ្តាំ មេសសាស្រ្តាំ មេសាស្រ្តាំ មេសាស្រ្តាំ មេសាស្រ្តាំ មេសាស្រ្តាំ មេសាស្ 22 550 14 4 2 200 68 2 200 68 1,500 12 20 23 10 72 5.0 11 24 7 19 24 7 19 1,20 64 10 9 化化厂 1 的复数人名马格勒斯特勒的 5 微的电池图 4 次为不足控制的不比较级不仅是我们把我在他们为他们,另一个 MCO Hit MCO HI 想是我也以我也有我们是我们的人的心态,我们不知识,我们不知识,我们的人们,不是我们的,我也是我们的人的人的,我们就是我们的人的人的人的人们,我们就是我们的人们的人们的人们的人们的人们的人们的人们的人们 4 60 13 15 2 4 44 11 76 14 15 7 76 20 15 76 16 17 16 18 14 16 15 47.351 3555 47612 4555 184 8 1 15°c 10°2. 10°2. 22°s 33°s 9 8°s 5 . FPA
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PSA AS 想到在我们的,我们只要把我们的,我们也没有我们的,我们也没有我们的,我们是我们的,我们也是我们的,我们也是我们的,我们也是我们的,我们也是我们的,我们也会会会 我们是我们的,我们也是我们的,我们也是我们的,我们也是我们的,我们就是我们的,我们的,我们是我们的,我们是我们的,我们也是我们的,我们也是我们的,我们也是我们的 "我们不是他有我们也不与他也会把我们的人。20万年的人对我们的人,我们们是我们们是我们的人的人,我们也是什么不是我们们也是我们的人,我们们就是我们的人,我们们就是我们的人,我们们就是我们的人,我们们们 102 494 85 33 384 335 145 534 535 | 12-07 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 102 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 103 | 10 102 48 5 32 1 20 33 14 22 35 1 Sunda Sunda Sunda Suptil Suptil Sybron Sybro Sybro Symo Symo Symo Symo Symo 1 2597 746 720 236 35 3 72 451 880 215221142762216446765664726664966662173522662526735226625756565267265362672632626732626732626732679 TOK TECOT TO THE TRIBY TREASES THIRTY TREASES TREASE TREASES TREASES TREASES TREASES TREASES TREASES TREASES TREASES -12 + 5 -12 + 4 -12 -12 5. 22 5. 25 

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pt 2 13 14 21 38
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pt 2 13 10 8 966名名,这种感见我说的是我们无法的有效?这是多好的现在,这是我们是我们是我们是我们,我们是这个人的,我们是我们是我们是我们是一个人的,我们是我们是这种人的, Weisham Weish Weis - Z 368 138 308 75 535 221 844 56 300 442, 51 29 29 20, 57 312, 312, Xerox Xerox XTRA ZeleCp Zapana Zayre Zenzhij Zero Zumin 3974 4574 19 24 147<sub>2</sub> 2674 1876 18 217<sub>2</sub> + 12 - 12 - 12 - 12 305 18 22 34 75 36 15 20 44 10 35 74 74 81 55 22 36 74 75 315161223347463324463374741536243674 

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B. McConnell Cable & Wireless. Canning (W.) \_

Martin (R. P.) .....

New C. Nat. Res. . R. Bnk. of Scot. .... Thorn EMI ... Town Centre

Continued on Page 42

# WORLD STOCK MARKETS

AUSTRIA	GERMANY		NORWAY		AUSTRALIA (continued)	JAPAN (continued)	4 or	OVE	R-THE-	COU	NTE	R Nas	đào natio	mal marke	t, 2.30p	m prices
Feb. 6 Price + or Schill	Feb. 6	Price + or Dm	Feb. 6 Price Krone	+ or	Feb. 6 Price + or	Feb. 6 . Yen ,	+4	Stock	Sales High Law Last	Charg   Stack	· <u>S</u>	ales High Lo	r lasi Ding	Stack	Sales (Hods)	figh Low Last Ching
Creditanstait	Baver-Hypo	114.9 +2.9 1045ar' + 19.5 181 +3 190.5; +3 823 +2 327 +2 280 +3 \$60 +1	Christiania Bank 165 DenNorake Ored 169 Elkem 147.	1 +1 5 +6.5 +2 5 +2.5	Gen Prop Trust 2.18 Hardie (James) 8.05 +0.8 Hartogen Energy Herald W'yTimes Jimberiana F.P., Kia Ora Gold 0.28   +0.8 Lend Lease 6.74 +0.8	Mitsui Co	-8 7 -8 7 -7 -2 -40 +30	AFG ASK	(Modes)  \$84		11 10 .70 .57 1	7 7 7 12 19 24 29 19 13 36 8 74	54 +4 7 24 2133 8 +4	Center CharpPr .10 ChricCp ChapEn ChrisS s .16 Charvoz Charten .48	485 51 270 202 558 88 2	12, 11, 12 72, 75, 74 64, 6 64 55, 42, 54, +4, 184, 182, 184, +4 124, 124, 124, +2
BELGIUM/LUXEMBOURG	Brown Boveri Commerzbank Cont'i, Gummi	194.5 168 +2.5 123.1 +1.6	Storebrand 239	+1.5	MiM	Nippon Gakki2,090 Nippon Kokan 135 Nippon Cil 828 Nippon Seiko 630	-50 -1 -3 -4		148 55 54 55 166 54 FL FL 165 25 244 254	+1 <sub>g</sub> Battle -1 Barrer Septh -2 Septh	p 74 4 90 6 7 124 29	. 201,20 201,20 22,20	1,2012 +14 1,2012 +14 1,291	ChidPnt -ChitTch ChiLent 38 Chemax	323 23 348 56	774 175 175 -5 775 7 7 29 28 29 +4 775 74 74 -
Feb. 6 Price + or Frs	Degusta Dische Babcock	351 ; +7 160.5; +1.5		+ or	News	Nippen Shimpan, 500 Nippen Steel 148 Nippen Suisan, 538	-5 <u>-</u> 1 -2 +450	Adage AdaGir AdaGen	524 62 54 54 1044 82 9 94 245 9 83 9 150 64 54 54 26 65 6 6	+ Bangi + Bidgra - Bine - Bidgra	90 94 1 32 14 284 21	7 634, 62	77 <sub>2</sub> +1 <sub>2</sub> +1 <sub>3</sub> = 574 +1 <sub>3</sub> = 23	Chfab Chrys .12 ChtCh	7 67 6163	64 54 64 +½ 14 13½ 14 114 114 11½
Bang. Int. A. Lux 6,600 +20 Bekaert B. 4,840 +40 Ciment CBR 2,560 +20 Cockeril 266 -2	Deutsche Bank Oresdner Bank GHH	400 ; +6 188.7; +0.9 159.5 —2.5 475	Bco Bilbao	-3	Pancont'i 11	Nippon Yusen 240 ; 2 Niesan Motor 602 ; 6 Niesan Flour 480	-2 -6 -10	Aegutm ABBgh 80 AggyRt 1	184 44 62 44 1443 165 165 165 14 314 304 314	Brida Barks Banta	2 1 19 	71 115 <sub>1</sub> 17	4 11½ +% 4 114 ½ 304	Chilles Chomer Chomer	77 73 49 239	611, 781, 604, +14 251, 251, 252, 24 234, 232, -1, 102, 10 10 -1,
Delhaize 6,700 +40 EBES 2,775 Electrobel 8,110 +10 Fabrique Nat 2,100	I Hoesch Werke i	169 ;	Beo Popular 374 Beo Santander 338	-5 -17	Reckitt & Coln	2 Nomura	-7 -30 -30 +120	Artitise ( Abstalt 25r AlexPc 55r	56	+ Series Series Series Series Series Series Series Series Series	22	12 9 84	37, +4. 38, +4.	Chym s .38 Chym s .10 Chriffin .20 Christs .08	138 12	107 10 10 -4 145 14 145 +5 111 103 104 -4 204 814 824 +1 272 274 324 312 32 +4
GB Inno BM	Hussel Karstadt Kaufhof	297 +7 210 -0.8 213.8 248.5xr, -1	Hidrola	+1.3	Thus. Natwide,! 9,08 , +0.8 Tooth		-11 +50 -2	Altonex	315 204 204 204 404 94 85 85 302 184 174 185	+ Bayes	.∵ <b>9</b> 20 49	374, 37 3 489, 48 3 83, 64 34 124, 11	4 4852 +4 84 +4 5 115 -4	Cipher Ciprico t Circon CizSou 1.2	42යි නි 14 8 33	115 114 114 -3
Intercom   2,075	Kloeckner	78.2 +1 597 + +2.2 188.5: +1.5		5; +4.5	Western Mining., 3.3 +0.1 Westpac Bank 3.55 +0.9 Woodside Petrol., 0.85 -0.0 Woolworths 3.46 -0.0 Wormald Intl 3.55 +0.1	2 Sappero	-1 -5 -20	Alegith Alegistr 40 Alegistr 84 Alegistr 16 Alegistr 16 Alegistr 16	82 23, 21, 25, 83 25, 25, 25, 15 22 21, 21,	+12 BFust +14 Sally -14 Sally Bests Senta	.10s 23 1 11	ե 61, 62, 3 41, 57, 10 8 73,	65 <sub>2</sub> 81, 73, 164	CtzSGs .76 CtzFid s 1.04 CtzGtP .48 CtzUt A ?	811	223, 221, 223, +1, 284, 28 26 -1, 172, 173, 174, 282, 283, 284, 284, 284, 284, 284, 284, 284, 284
Rryale Belga 10,050 Soc. Gen. Banq 3,250	MAN	934 + 5.9	SWITZERLAND Feb. 6 Price	s { + or	Wormsid Intl 3,35 ' +0.1 HONG KONG	Shimadzu	+17 +12 -10 +50	. Alphic Atos	186 74 75 75 2017 124 115 115 20 19 182 19	+14 Section Service BearCo +14 Section	wt 55	104,10 134,13	10 -1 134 +1 164+1 -16	Cizult B 1.8 CayFed 25 CiyNCp .88 CayRSr s .10	35 2585 266	17% 17% 17% 30% 20% 20%\(\frac{1}{2}\) 30% 20% 20%\(\frac{1}{2}\) 30% 20% 20%\(\frac{1}{2}\) 13% 13% 13% 4% 20% 20% 20% +\(\frac{1}{2}\) 20% 20% 20% 20% 17% 17% 17%
Solvay	Porsche	1075 -2 252 : +12	Alusulise	0 +10	Feb. 6 Price + or	Stanley 877	+10 -10 +2	AmAdy ABrits 50 ACert s	1 12 12 12 215 144 134 14 844 144 134 14 272 84 8 84	+12   Best 5	46	34. 154, 14 1½ 1½	854 — 19 15 + 4	ClerkJ .88 ClearCh ClevtRt 1.5 Clafstree	13	251, 251, 251, 177, 17 177, 211, 201, 214, +1, 121, 11 124, +1
Wagon Lita	Rosenthal	244 + 4 476 + 12,5 533 + 21 96,5 + 2,7	Ciba Geigy	5: +10 0: -20	Bank East Asia 24 -0.1 Cheung Kong 15.1 : -0.2 China Light 14.6 -0.1 Evergo 1.54 -0.8	S'tomo Metal 145 Taihel Dengyo 470 Taisel Corp 197	-1 -1 -30	AFdSL 5 .60 AxiFoxt 1 AFletc 1.43	23 14 134 14 2 84 84 64 71 414 415 415 42 115 116 116	+ iz Sugar Again + iz Subsy + iz BioRe - iz Boger	15 5 5 6	0 31 34 24 24 22 6 6	54 524 67 +4	ConstF CobeLb CocaBt s .56 Goest 1	30 237 1 6 57	155, 157, 157, 4, 147, 154, 14 +1, 311, 31 314, +1, 141, 144, 144, 4,
Feb. 6 Price + or Knr % —	Versin West	176   +0.5 169   -0.5 122.5	Fischer (Geo.)		HK Elect rio	Takeda	+6 +130 +4 -5	AGreet .58 Aminut 40e Aindf 1.12	1960 36% 35% 36% 36% 36% 36% 36% 36% 36% 36% 36% 36	+ 4 Biome + 4 Biotec + 4 Biotec - 4 Biotech	· 42 12 81	2 154, 15 2 45, 45, 55, 8	4 73 kg + 4 kg 4 kg 5 kg + 4 kg	Cogenic Cohint s ColubR	129 596 490 31	1 24 24 4 261 261 261 +11 64 61 6 +1 181 13 181 +1
Andelsbanken	Volkswagen	198.1. +4.6	Landis & Gyr 1,63	0  5 +135 5 +36	HK Shanghal Bk. 8.7 \ -0.3 dK Telephone 60.6 \ -1 Hutohison Wpa 19.5 \ -0.5 Jardine Math 8.3 \ -0.8 New World Dev 6.45 \ -0.8	Tokyo Gas 162	+1 +1 	AMagnt AMS AMSSN .150	23 79 74 74 55 174 12 124 52 184 184 184 28 189 184 189	- S BishG - S BishG - S BissA - S SosaB	25 2 1	5 7 64 64 64 85 5 7-1 87 314-31	64 -1 181 <sub>4</sub> +1 -16	Cotagen Cotagen Cotagen 45 Cotagen 45 Cotage	233 5 6 290 2045	5, 5, 5, 5, 171, 171, -1, 351, 671, 341, +21, 19 18 19 +1
Danske Bank 288   -2 De Danske Luft. 1,220   +80 East Asiatic 164   -2 Forenede Brysg.: 805   -10	Feb. 6	Price + or	Sandoz (Br)	5 +50 5 +18 5	New World Dev.   5.45	Tokyo Style	-5 -5 -5	ANtens 1.08 APhyG ACustr 211 ASecC s 1.02	149 334 327 337 88 7 64 7 1-16 1 1 1-15	+ 4 Bottle  + 4 Bottle  Bottle  - 4 Bottle	9 30 43 9 16 6	11 20 5 15 9 82, 8 8	բ 20 + ֆ 9 8 – Լ	Colont s 74 Colons Conter 1 Comest s 12	1268 23 34 55	17 183, 17 +12 1 1 1 151, 142, 143, +12 235, 235, 235, +12 152, 142, 15 +14
Forenede Damp. 84 — I GNT Hidg	Banca Com'le Bastogi IRBS Centrale Credito Varesino	19,150 +250 194, +9 2,950 +1 4,460 +30	Surveillance 4,10 Swissair	O;	Swire Pac A 23.5 6.7 6.7 6.7	I Dyo selkan 690	+12 -7 -10	AmSoft ASolar ASuag Ameter 3.08	23 19% 18% 18% 48 18 16% 18% 137 43 34 44 823 4 5 5 22 62 67% 61%	+1 Breech Brenck Brenck Brenck	1 46 1 120 .17 24 89	307, 30 6 64 6	5 +-	Comdisi .16 Comisi Comerc 2.16 Comest .92	34	152 164 15 +1 42 44 44 -1 35, 352 254 +1 254 255 256 +1 151 151 151 -1
Novo Ind	Flat Finsider	2,489 +99 67 +1 59,490 +540 2,925	Union Bank 3,61	D +10   D. +50	World int. Hidgs. 1.930.0	Watosi	10 3 +25 150	Ampen - Amel 72	153 21½ 21½ 21¾ 143 6% 6% 6% 60 21½ 21¾ 21½ 3 44 44 44	+14 Bruno -14 Buildo -Te Broton	26 55 1 9-1 1 15	37 27 26 7-18 1 38 23 21	9-16 1.223a +4	Critical Sti Critical 2 Critical 50 Cwith 34	9 17 80	151, 151, 151, -1, 39 38 39 39 121, 121, 121, 121, +1, 9 9 9 +1,
Sophus Berend 900 -10 Superfos 447 -7	Italcementi	80,200 + 1280 620 + 22 1,483 + 18 6,490 61	SWEDEN		Feb. 6 Price 1- or	Yamanouchi 4,050 Yamazaki	+1 -1 -9	Amped s A0 Anadhe .10 Anlogic Anahi	16 20 19½ 19½ 11 7½ 7 7 411 1402 14 1402 291 8½ 8 8½	-1 BumBr -1 SMA +1 Bunks	194 81 194 81	194, 16   514, 50   7 65	51 +1%; 6%,	Com/Si 1.6 Com/en Comind .95 ComSv s		2012 274 2012 +13 31, 31, 31, 31, -1, 221, 221, 221, -1, 121, 12, 12, -1,
Feb. 6 Price	Pirelli Co	4,295 +115 2,349 +60 2,698 +78 15,825 +165	AGA	+ or -5	Alinomoto	SINGAPORE Feb. 6 Price	+ or	Apagee .12	271 51 5 57 32 27 22 23 23 25 25 25 25 25 25 25 25 25 25 25 25 25	+ 12 Buttel + 14 Buttel + 14 Buttel	.08e 20 ! 1.32 58	: 254,25 C–C	1/4 +4 25% +4	Company Company Compo .011 CompC .40	65 4673 - 63 1169	2912 225, 225, +12 2913 281, 651 131, 13 131, 2914 281, 281, 71, 71, 71, -1
Emprunt 418 1978 1610	NETHERLANDS	<del></del> _	ASEA (Free)	+5 +8 -5	Asahi Glass	Boustand Hidgs., 1.64 Cold Storage 2.65	-0.84 -0.81	AppleC s AppleC Aptition Aptition	3999 25 <sup>1</sup> / <sub>2</sub> 28 28 <sup>2</sup> / <sub>2</sub>	+15 CF RE +15 CF RE +15 CF RE	b 87	82 84 94 9 25 25	84, —1 94, +4 25, +1	Compore 243 Compore 25 Compus 15 CCTC	21 15 3 1256	5-16-34, 34, +4, 20, 14, 130,
Air Liquide		Price + or	Cardo (Free)	-1 +12 -1	Gasio Comp	DBS 5.85xa 5.35 Genting 5.35 Haw Par. Bros. 2.2 Hong Leong Fin. 5.28 Inchespe Bhd. 2.53	-0.05 -0.08	ApktStr Archive	1097 355 35 355 14 85 85 85 1080 65 85 85 46 205 206 205	+11/2 CSTBR +1/2 CST CML CPI -1, CPT	4	174,179 20,124 01	84, -19 94, +14, 394, +14, 1072, -14, 1072, -14, 1072, -14, 1072, -14, 1072, -14, 1074, +14,	CrrpAs CptAst CrrpDt .08 CptEnt	165 262 B1 66	244, 234, 244, +4 62, 54, 62, +4 124, 114, 12, -4
BSN Gervais	ACF HoldingAEGONAholdAKZO	196 , +1 160.5 —0.5 817	Mo Och Domajo 981 Pharmacia 213 Saab Scania Free 460 Sandvik 395	+1 -11 +15 +5	Daiwa House 534 / -1 Ebara	Malay Banking 5.8 Malay Utd. Ind 2.32	0.07 0.96 0.05 0.96	Armel Aroxe .045	14 431 42 42	+1½ CSP Cache Cache	11 41 23 31	42,4   4 34  1 54 5	34, 5 –4,	CreptH	89 154 291 126	84 8 65 +12 74 7 74 -12 74 7 74 +13 44 44 44 +16
Cie Bancaire	ABNAMEY	395 219 -1.5 74.2 -0.5 159	Skandia	-2	Fuji Bank	Multi Purpose 0.96 OCBC 9.25 9.25 9.25 9.25 9.25 9.25 9.25 1.68 1.68	-0,2 -0,98 -0,84 -0,84	Ascittat .12 Astrolii	150 123 114 123	+14 Confis +14 Colling -14 Colling -15 Colling +14 Colling	) 60 13	11 <sub>2</sub> 11 <sub>3</sub> ) 41 <sub>4</sub> 42 <sub>4</sub> B 105 105	45 +4 104	CmpLR .12 Cmp1M CmpNet CmpPd CmpRs CmFask .05	112 335 42 63	44 44 44 +4 62 84 83 199 199 199 34 84 35 +4 199 19 19 -4
Duffiez S.A	Sos Kalls Westm. Buehrmann Tet. Calland Hidgs Dordtsche Pet'm	14.6:0 7	St Kopparbergs, 168 Sven Handleabn, 181 Swedish Match., 246 Volvo B (Free) 299	1 — i	Fujitsu	Singapore Press. 6.4 Straits Trdg 4.56 Tat Lee Bk 2.79 UOB	-0.1 -0.06 -0.05	Astrosy Albor All AdGet: 2.52	34 51 51 51 51 51 54 57 51 51 74 71 71 2 154 154 154 15 254 257 277 25 274 277 278 320 54 52 54 15 15 15 15 15	-1 Califor	. 18 55 3 23	0 34 82 B 34 8	34 +4	Craputs - Craptre Citasve Consin	179 2 60 385	8 74 8 +1 94 84 94 -1 34 35 35 94 84 94 +1 44 35 -1 8-16 2 8-1 -16
(meta)	Elsevier-NPU	93.5, +1.8 180.5; +1	AUSTRALIA Feb. 6 Price	: + or	Hitachi Cradit. 1,080 -10 Hitachi Cradit. 1,080 -10 Honda -1,410 -10 House Food 585	SOUTH AFRICA	+01	Asinge 90 Asinfo	35 27, 27, 27, 328 24, 24, 25, 35, 35, 35, 35, 35,	+ in Common + in Coppe + in Coppe Coppe	1	85 <sub>2</sub> 85 <sub>2</sub>	82 -4 164 84 24 -4	Compship Contest 3 Contest Contest	73 2 71	
Matra S.A 1,665   -45 Michelia B 838 + 30	Heineken Hoogovens Int Mueller KLM	156.5 +1.3 61.8 -0.2 41.5 -0.8 49.6xc +0.4	ANZ Group 4.75 Altiance Oil Dev 1.05	-0,02	Hoya	Abercom 1,40 AE&Cl 7,15	-0.07	AlSeAr a Austron AlandQo	483 154 174 154 9 44 44 57 174 1774	+14 Cardii Cardio +14 Cardin Cardin	9 122 15 422 15	17 16 5 124 14 15 1	4 12 +4 16-1 -16	Committ 1.4 CnCap 35 CCapR 55 CCapR 53 CCapS 5.3 ConFor	1 44 1 215 1 7 1 278	5; 51, 51, 22, +1; 22, 22, +1; 14; 14; 14; 14; 14; 14; 15; 16; 25; 26; 24; 16; 25; 26; 24; 16; 25; 26; 26; 26; 17; 26; 26; 26; 17; 26; 26; 26; 17; 26; 26; 26; 17; 26; 26; 26; 17; 26; 26; 26; 26; 26; 26; 26; 26; 26; 26
Midi (Gle)	Nedilova	179 —0,8 161 ;—0,5	Ampol Pet	+0.02	JACOS	Angio Am Corp. 24,25.	+0.5 +0.25 3	AltroSy Autorite	378 11 101, 11 779 8 61 74	+1 Ceseys	1.50 49	197, 19 0 283, 283	19	ConPor CnPtp 5 1.29 ConsPt .08	2 102 ·	52 52 52 +3 38 384 384 +4 52 54 54 54 5 5 -4
Pernod Ricard 5928 Pernod Ricard 5928 Petroles Fra 265.5 +4.6 Peugeot S.A 277 +3	Oce Grinten Ommeren (Van).: Pakhoed	298   +1 28,3 +0.1 66.51.7	Aust. Nat. Inds 2,54 Aust. Paper	+0.05	Kash iyama	Barlow Rand 10 Buffels	+0.25 +0.05 +0.75	AvesGr Autobic Avesur	72 184 174 184 2007 224 214 214 12 174 174 174	+13 ConSc CoSch - CrdSk Contra	9 050 33 8 132 19 112 35	413, 411 0 275, 27 284, 29 35 35	23, 43,	Control Cottlico .04 Cottli Cottli Cottli	961 114 67	341 <sub>2</sub> 36 341 <sub>4</sub> -1 161 <sub>2</sub> 161 <sub>4</sub> 161 <sub>5</sub> +1 61 <sub>4</sub> 65 <sub>4</sub> 41 <sub>4</sub> +1
Printemp.Aus 205.8 +7.8 Radiotech	Robeco	67.8 +0.4	Bond Corp Hidgs! 1.3 Boral	+0,92	Komateu	Curriè Finance   5.5   De Beers	-0.96 -0.25 +0.5	AzteM 20	41 42 44 44 B-B	Centur Certific Central	253 114 255 1.12 28	127 124 127 124 128 124	B 174+1-16	Control t CELEST Convegt Converse	. 208 .	64 54 6 17 17 10 105 +5
Sefimeg	Unilever	196 +1,6 358,8 +1 142,6 +0.1	GRA 5.38 GSR 5.38	+0.06 +0.02 +0.04	Kvoto Ceramic 5,650 +50 Maeda Const 470 +15 Muakino Milling 1,310 Myakita	Nedbank 9.9 :	0.88 +0.15	EBDC 2	25 40, 45, 48,	-le (Censel)	. 14	0 44 312	44 +5	CopiSio	99	44 4 44
	West Utr Sank		Cariton Utd	+0.1	Marubeni 503 Marudai 545 Marui 1,010 ! +10 Mej 1,530 +20	Rust Plat		Al	MERIC	ANS	TOC	CK E	XCH	LANG	EC	LOSIN
NOTES — Prices on this individual exchanges and are suspended, xd Ex dividend, xa Ex all.	last traded prices.	s Dealings	Consolidated Pet 0.51 Costain Aust 1.3 Duniop Aust 2.21 Elders IXL	+0.02	M'ta Elec Works, 646 +5 M'bishi Bank	SA Brews	+0.1	12 Month High Low Stad	P/ Sis 1: Div. YM, E 180s	Cio High Low Co	Chiga se Prest. 12 se Close Hig	Month gh Low Stor	st Div. YM	P/ Six E 100s High	Con	Chige sa Prate: 12 Moorts to Close High: Low
			Energ Ras 1,4	-0.02		Journal 4,0 }			from Page 33	}	\$5 <sub>1</sub>	74 SCE 74 SCE 4 74 SCE 5 85 SCE	d pri.02 11 d pri.06 11 d pri.06 11 d pri.18 11	. 6 94) . 4 97 <sub>2</sub>	94, 94, 94, 94, 94, 84, 104, 105	+ 1 6 32
CANADA	m flori for		In the first take		High Low Close Chap Sales	Stock High Law Clos		185 <sub>1</sub> 141 <sub>1</sub> Pgt 33 253 <sub>1</sub> Pgt 93 <sub>1</sub> 45 <sub>2</sub> Punts 23 10 Queb	p#54.38.14. 17 aG 69 ng a.28 2	185 <sub>1</sub> 181 <sub>2</sub> 18 317 <sub>4</sub> 315 <sub>2</sub> 31 65 <sub>4</sub> 6 65 424 237 <sub>4</sub> 24	2 -4 111 43 + 3 13 + 1 10 21	74 SCE 74 SCE 14 74 SCE 14 33 SCE 14 33 SCE 14 35 SCE 14 164 SCE 14 16 SCE	d p14.08 95 d p11.45 11 d p1 12 11 d p2.30 11	2200 423 <sub>1</sub> 21 133 <sub>4</sub> 28 106	427 <sub>2</sub> 425 <sub>1</sub> 127 <sub>6</sub> 134 106 106	+ 1 7 2 + 1 24 64
TORONTO	en Clong   Selex Stoc 1700 Ceta 100 C Di 27750 CTL	nese 574 isib A \$6½ Bank \$11½	53 65 400 114 114 - 4 900	imesco Indai	\$527, 624, 527, + 5, 600 \$14, 14, 14	Pomen \$19 12 19	+ 1 <sub>4</sub> + 1 <sub>5</sub>	51 <sub>2</sub> 5 RAI 51 <sub>4</sub> 31 <sub>4</sub> RMS 51 <sub>4</sub> 37 <sub>4</sub> RTC	3	61 61 61 4 4 4 31 31 31	+ 1 65 + 1 78	ັ 537 <sub>2</sub> 9CE ພ 844 SCE	d p17.58 12 d p18.96 12 man	. 32 194 164 u654 15 765	201 <sub>2</sub> 201 <sub>3</sub> 191 <sub>3</sub> 191 <sub>4</sub> 644, 644, 761 <sub>3</sub> 761 <sub>5</sub> 84, 7	> –3> 1 193⊾ 145⊾ ∣
Prices at 2.30pm February 6	100 Com 16450 Coss	weed A SST.	84 84 76100	inglis Intend Gas Inter Pipe Naco B	\$121, 122, 121, + 1, 59700 \$151, 151, 151, 4250 \$34 331, 34 - 1, 36833 \$20 191, 20 + 1, 17106	Rothman \$421, 421, 421, 5coptre \$61, 61, 67, 75, 77, 77, 77, 78, 78, 78, 78, 78, 78, 78	+ b	54, 34, RMS 94, 37, RTC 165, 138, Regio 20 127, Remai 41, 1, Remai	n .12 7 24 69 bg 72 3.9 1f1 7 1	31 31 31 161 161 16 181 181 18 11 11 11	15 10 30 8 8	62 Sp1 2 83 Sp1 4 152 Spe 32 Spe	p 113 20 45		75, 75, 26 28, 54 54	-1, 31, 15, 33, 11, 15, 101, 15, 101, 101, 101, 101, 1

				1/UU CAMANAMA	214 14			4104	BINESCO	one4	024		T 7	10	Rothenan	\$42%	424	424	
T	ORONTO	)		100 C Distb A	\$612 62 \$113, 113,	65	_	400	indal	\$14	14_	14							
				327750 CTL Bank	\$113, 114	10	-4	900	logiks		1272	12%	+ 4	59700	Sceptre	\$612	64	67 <sub>6</sub>	
Pr	ces at 2.30pr	n		100 Convest A	\$84 84	84	-	70100	Intend Gas	\$154	15%	154		4250	Sears Can	\$8	776	77 284	
				16450 Cosaka R	255 250	255	+15	12350	Inter Pice	\$34	334	<b>34</b> `	- 4	36533	Shell Can	S24	294	231	-
	February 6			10010 Canron A	5124 12b		+ 4	. 950	Naco B	\$20	334 194	20	+ 4	17106	Sharrett	584	8.	₽ <sub>2</sub>	
				1325 Crownx	\$1712 173			2700	Jannock	\$13	124	194	+ 1	700	Sand	SEF <sub>2</sub>	Βlg	8h	
	ann 1000	201-	1.	10800 Caar Res	165 152		+2	500	Kam Kota	105	īΝ	12% 105	•	1570	Sigter B 1		10%	81 <sub>2</sub> 101	
225 Abri Pros	\$3312 3332	3312	+ %	NOUL CONTINUE		300	7 6			538	38	38		1300	Southin		6612	5812	
2036 Addantis	5177 17	17%	+ 4	92379 Deon Dev	305 300			100	Kelsey H	530				1100	St Brodest		124	124	
570 Agrico E	\$131, 13	131	+ 4	37500 Denison A	9141 1412	1412	-3	125	Kerr Add		174	17%			Stefen A	2124	1243	129	
900 Agra Ind	\$60 <sub>2</sub> 60 <sub>2</sub> \$27 200 <sub>8</sub>	51 <sub>2</sub> 207		43900 Denison B f	\$14 13¥		∸ ધું	16747	Labert		25	25	- <b>4</b> _	12013		\$23%	231	234	
28865 AR Emerca	521 20%	207	+ +	16800 Davelcon	\$105, 104,		+ 4	4500	Lac Morts		273	274	+ %	2000	Sulptro_	252	252	252	
296 Alte Net	\$15l <sub>2</sub> 15l <sub>2</sub>	1572		2700 Dicknan A f	486 480	485	+10 '	14220	LOrd Cem		111/2	114	+ 12	1701	Steep R	300 ;	290	290	-
232 Algo Cent	\$20 20	20 -	+ 12	400 Dicknsn B	490 490		+15	4103	Lecane	\$10%	105	10%	+ %	50000	Sycinary o		30	30	
1585 Algoma S		234	- 4	8250 Domen A	252 250	262		200	11. Lec	5294	2912	294	+ %	84500	Talcorp		105	110	
1400 Asbestos	S6 57	6	+ 3/4	19198 Dolesco A	\$287 <sub>2</sub> 281 <sub>2</sub>	285	- L	7350	Loblew Čo		19%	192	+ 4	[ 2300	Tara	S19%	19%	194	
21273 Atco I I	594 9	94	+ 1	4450 Du Pont A	S18° 175	18	+ 1	33705	Michael H X	\$25	257	192 253	+ 5	888	Teck Cor A	S12 -	12 -	12	
1270 BP Canac		263.	- 1,	100 Dvisos A	534 34	34		4580	Merland E		440	440		8118	Teck B #		124	127	
		6	2	2512 Elethom X	475 450		+35	65778	Moison A f		165	163	- <b>4</b>	4300	Tex Can		354	351	
	\$6 5% \$14% 13%	141	+ 4	3125 Equity Syr			+ %	350	Moison B		1715	1772	•	600	Thorn N A		535	54	
43877 Bank N S								300	Nabaco L	826%	281	28%	- <b>4</b>	33915	Tor Dm Bk		19	194	
5900 Berrick o	144 131	144	+10	1000 FCA INA	\$20, 20,		+ 4			9207			+ 1	7250	Torstar B 1		197	191	
500 Baton A		17%		6119 - G Falcon C	\$16 <sup>1</sup> 2 18 <sup>1</sup> 4	183	- <u>4</u>	53253	Noranda	\$20%	20%	204			Traciera Á f		124	13-3	
22497 Bonanza	₹ 435 4260	425	+ 5	10975 Florbridge	\$945 941 <sub>2</sub>	9412	- 12	27565	Norsen	\$1415	<u>14</u>	14	- F	7449			224	224	•
26500 Braicme	\$5\ <sub>4</sub> 5\ <sub>2</sub> \$18\ <sub>2</sub> 18\ <sub>4</sub>	51 <sub>8</sub> 182 <sub>8</sub>	- 4	500 Fardy Res	275 275		+ 5	12597	AND AND	574	74	74		1120	Tms Mt	371	72	75 <sub>2</sub> 463	
340 Brameles			+ 4	15829 Fed Ind A	\$217, 214,		+ 4	10700	Novisco W	\$191	1912	194		1000	Trinity Res		465	465	•
500 Brenda M	5114 114	114		1110 F City Fin	\$12 114	11%	- Ła	2954	Nutwist spr A	59	æ	<b>59</b>	- 1	11281	TmAtia UA	S23%	235	<b>234</b>	
20763 BOFP	5114 114	114	- 1-	800 Frager	518 17 <u>4</u>	174 191 <sub>2</sub>	+ 4	15400	Quiavood		490	490		10405	TrCan PL	\$29	222 416	23 420	
17215 BC Res	27 251	253	+ 1	1250 Fruehsuf	S191 <sub>2</sub> 191 <sub>4</sub>	1912	+ 5	3940	Oshewa A I	\$2512	2512	2512		3812	Trienac		416	420	
9981 BC Phon		وا22	- 4	2033 Gendis A	\$264, 264	281	- 4 ·	300	Pernout	480	45Q	460	+ 5	4600	Trees A f	\$2412	244	242	
1100 Brunswk	\$16° 16	16	+ 4	1600 Geac Comp	\$10%, 10%	284 104	•	20150	PenCan P		274	27%		28600	Turbo !	55 ີ :	53 °	54	
32040 Budd Car		20	+ 11.	12292 Gencrude	242 238	242		300	Phonix Cil		7	7.	- 4	1600	Unicoro A f	\$89 <sub>2</sub>	B3 <sub>2</sub>	812	
13950 CAE	S171 174	17%	+ 4	12300 Ghraiter	242 238 5105 104		+ %	610	Pine Point		275	74. 274	•	12178	U Entones		123	125	
	\$27 27	27		5000 Goldcorp 1	S51. 51.		+ 1	16800	Place GO o	105	105	105		1800	L Keno		91.	8,	
	\$151, 15%	1512	+ %	670 Goodress	\$51, 51, \$40 391,	391	T 4	37710	Placer	\$254	254	25%	+ 4	186	U Siscos		115	115	
4350 Ced Frv		235	+ 3	100 Grandina	43 43		-2	1800	Provice	3234 \$18	18	18	T %	41101	Varati A 1		7/2	÷~	
3585 C Nor W					40 41								+10	500	Vesteron		115	7% 11½	
100 & Packra	\$301, 301,	30%	+ 1	1270 GL Forest	S944, 94		- b	500	Que Sturg o		350	350		4100	Weidwod		175	17/5	
3154 Can Trua	533 334	334	_	230 Gt Pacific	\$944, 94 \$284, 284 \$252, 252	2819		200	Rayrock !	\$75 <sub>8</sub>	74	7%	- 4						
4350 C Tung	\$16 157 <sub>8</sub>	16	+ 4	5000 Greyfind	\$2512 2512	2512	+ %	7092	Recipalit		304,	30%	-14	5000	Westfort o		15	15	
50 CG€	\$61½ 61½	6112		, 6500 HGroupA	\$7% 7%		+ 🙀	79600	Rd Stenhs A		2112	212	+ 5	6460	Westmin		121	123	•
10275 C1 B4 C4		31%		2300 Hrding A 1	145 145	145	- 1	85739	Raichhold		141	1412	+ 4	2765	Weston		60½	81	
29700 Cdn Net	Res 31 28	31	+ 1	5575 Hawker	\$21% 20%		+14	3800	Res Serv I	170	168	170	+ 2	1231	Woodad A	511½ 1	115	1112	•
25430 CTire A	\$105 101 <sub>2</sub>	105	+ L	1694 Hayes D	\$2412 2414	2432	+ 4	416	Rawn Proj A	101	101	101	-19	i		:			
850 C UNIT B	\$174 174	174	-	30907 H Bay Co	S197 <sub>2</sub> 19-4	194	- 1	3700	Rogers A	58L	85	85		4	Total sales:	10,103,50	. <b>316</b>	66	
		-							•		-	•		•				•	

## FOREIGN BANKS **NEW** YORK

The Banker in the March issue will be publishing its annual study on the expansion of New York as an international banking centre.

The study will again include the full listing of every foreign banking operation-Branch, Agency, Representative Office or Subsidiaryactive at the end of 1984. Location, management, staffing and status are detailed in full.

Banks, Financial Institutions and Suppliers to the Banking Industry wishing to demonstrate their commitment to New York's international banking expansion by advertising in this important study should contact:

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## **IG PRICES**

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MARKET REPORT

RECENT ISSUES -

**EQUITIES** 

# Quieter markets demonstrate underlying resilience Account Dealing Dates Option First Declara Last Account Dealings tons Dealings Day Jan 28 Feb 7 Feb 8 Feb 18 Feb 11 Feb 21 Mar 8 Har 18 Feb 11 Feb 22 Mar 7 Max 8 Har 18 "Now-time" dealings they take place from 3.30 can two business days salested. Thorn EVII and Debenhams feature Close to Falcon, drew fresh support and climbed 11 more to 61p. Silvermines, which holds a stake in Falcon, firmed 4 more to 61p. Silvermines, which holds a to 62p. Among other Oil issues, Oilver Prospecting revived and Barciars 2 to 64Sp. Takeover speculation unshed salested. Financial Times stock implices

rumoured to be the target for a WP on Second thousans about U.S. predator, rose strongly on the interim results. The leaders talk that a consortium was building up a share stake. Several possible suitors were mentioned for Debenhams including, of course, Hanson Trust.

Government securities fluctuations of the preliminary results alread of the preliminary results of the

and index-linked issues. Afternoon turnover was especially sparse and longer-dated Gilts came to rest i or so harder on the session, but shorter maturities settled fractionally believed to the session of the session easier on balance.

**EQUITY GROUPS** 

& SUB-SECTIONS

CAPITAL GOOSS (206) -Building Materials (23) -Contracting, Construction Electricals (15) -------

42 Chemicals (17).
44 Office Equipment (4).
45 Shipping and Transport (19).
46 Hiscellaneous (61).
48 Telephone Networks (2).
49 HRDUSTRIAL GROUP (483)

59 590 SHARE INBEX (506)61 FINANCIAL GROUP (114)
62 Banks (6)
65 INSURANCE (Life) (8)

FT-SE 100 SHARE INDEX ....

2 5-15 years ..

FIXED INTEREST

115.01 - 8.83 115.95

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Feb 21 Feb 22 Mar 4
Feb 25 Mar 7 Mar 8 Mar 18
"Now-time" dealings may take place from 9.30 cm two business days saider.

London bond and share prices slowly regained early losses gained 7 to 182p and Kleinwert yesterday and in the late trade settled higher on the session:

The performance was considered to the

The performance was considered impressive because market initially had seemed set to fall as UK money market rates rose and sterling traded uneasity against a strong dollar.

These dual influences cancelled hopes of an immediate reduction in banking lending rates, but failed to remove the prospect of a cut before next month's Budget, Neutral conclusions on UK money supply trends gave markets little guide. Dealers therefore seized on Wall Street's improved 7 to 582p; the latter's are scheduled

Budget. Neutral conclusions on UK money supply trends gave markets little guide. Dealers therefore seized on Wall Street's failure overnight to sustain peak early levels for the excuse to mark values down.

Leading shares and Gilt-edged stocks both suffered but the lower prices, instead of attracting sellers, drew renewed small support. Markets rallied swiftly before easing again in the absence of anyl follow-through demand and then improving again in front of the New York market opening. Blue chip in stocks both suffered but the lower prices, instead of attracting sellers, drew renewed small expoort. Markets rallied swiftly before easing again in the absence of anyl follow-through demand and then improving again in front of the New York market opening. Blue chip industrials led the movement and the FT Ordinary share index, which began 5.4 down, closed a net 0.9 up at 883.

The equity session was not served strated from overnight positions with the exception of Seottish and Newception of Seottish an without colour. Many situation stocks came into their own and bid speculation surrounded leading issues as as Thern Emil and Debenhams. The former, which last automn was runoured to be the target for a U.S. predator. The stocks are provided to the structure of the latter in a restricted market. A press mention simulated Walter Lawrence, up 4 at 222p, while Howard Shuttering hardened to be the target for a U.S. predator.

Government securities fluctuated narrowly after regaining due on February 28 and touched early losses of \(\frac{1}{4}\). After Tuesday's sales, the authorities were not bid for stock of the three remaining franches of conventional rumours revived, but the withtrawal of speculative support left at 570p. Elsewhere, witham Canning gained 8 to 102p as bid rumours revived, but the with-drawal of speculative support left recent favourite James Halstead 8 of a 77p.

## Debenhams dominated Stores,

mping 23 to 216p in active trad-

FT-ACTUARIES SHARE INDICES

These Indices are the joint compilation of the Financial Times,

the Institute of Actuaries and the Faculty of Actuaries

Wed Feb 6 1985

| Sec. |

11.18 18:51 18:54 11:92 11.95

19.78 12.62 11.52 10.85 10.26

12.29

9.75 18.25 9.36 11.04 10.82 78.26 11.19 18.97 18.26 9.80

14.91 14.54 11.90 11.36 18.79 12.66 11.53 18.86 18.25

12.13

}	Feb.	Feb.	Feb.	Feb.	Jan. 31	Jan. 30	year age
Government Secs	79,62	79.63	79.27	79.87	80.09	79.B0	82.37
Fixed Interest	83,61			83,44			
Ordinaryi	985,3			977.5			
Gold Mines	487,8	474.8					
Ord. Div. Yield						4.38	
Earnings, Yld.% (fult)	10.92	10,97	11.15	11.06	10,95	10,94	9,46
P/E Ratio (net) (*)	11,00	10.96	10.77	10.87	10.97	10.97	12.94
Total bargains (Est.)							
Equity turnover £m.							327,429
Equity bergains		20,960					
Shares traded (mi)	- :	190,2	129.8	145,9	179,2	215,6	147.4

10 am 977.0. 11 am 982.4. Noon 980.9. 1 pm 979.7. 2 pm 979.9. 3 pm 983.1.

Basis 100 Govt. Secs. 15/10/26, Fixed Int. 1928, Ordinary 1/7/35. Gold Mines 12/9/55. SE Activity 1974. Latest Index 01-246 8025.

Nil = 10.65.

HIGHS	AND	LOWS	SE.	ACTIVITY

	1984	<b>/8</b> 5	Since Co	mpilat'n		Feb. 5	Feb.	
	High	Low	High	Low	Daily		, <del></del>	
Govt. Sec.,	85,77 (9/1/84)	75.72 ( 30/7/84)	127_4 (9/1/65)	49.18 (8/1/75	Gilt Edged Bargains Equities Bargains,		147.8	
fixed int	87.48 (14/5/84)	80,48 (80/7/84)	150.4 (28/11/47,	50,53 (8/1/76)	Value	767,9	558,5	
Ordinary	1024.	755.3 (25/7/64)	1024.5 (22/1/85)	28.640\	Gilt Edged Bargains Equities	157.7	166.9	
Bold Mines	711.7 (8/5/84)	459,5 25/1/85)	734.7 (18/2/88)	43.5 (26/10/71)	Barosins	136.5 720.7	139.6 741.5	

Style had lapsed saw the latter moved between extremes of 175p and 160p before closing a net 5 better on the day at 170p. Town Centre Securities, the property company also chaired by Mr Arnold Ziff and which helped thwart British Land's offer by purphases of Style in the market. purchases of Stylo in the market, rose 5 to 48p, after 49p, on vague suggestions that British Land might now turn to TC as a way

into Stylo.

Thorn EMI encountered specu lation that a stake was being built up prior to a possible con-sortium bid and advanced sortum bud and advanced strongly to close 20 higher at 460p. In contrast, other leading Electricals remained friendless. GRC gave up 6 at 198p and Plessey 5 at 172p, while Racal ended 4 off at 198p, after 196p; the last-named announced that it had were the last-traumed in the RBS better

Royal Bank of Scotland returned to prominence in the banking sector, rising 6 to 266p on news that the merger with Charterhouse Japhet is not to be referred to the Monopolies Commission; RBS have recently been bought on talk that Lloyds was about to sell its 21.3 per cent stake in the company. The major cleaners plotted an interim, results. Martin Ford, irregular course in moderate trading, Lloyds moved up 12 to 560p and NatWest 10 to 678p.

jumping 23 to 216p in active trading active trading and a resurgence of specularities of specularities day and interim active trading are into the surgence of specularities of s Rauff and Sorensen over use of the Decca navigator system. Sell-ing in a difficult market left AB Electroniz 45 lower at 425p, while Ferranti dipped to 142p on a broker's revised lower profits forecast before settling 6 off on belones at 1450. Comment on the

Thors Jan 31

ladex No.

renewed duliness in Unitech. 9 lower at 256p, after 250p. Dealings were temporarily suspended in troubled Acorn Computer, down 4 at 28p, after 23p, pending

TI came under further selling pressure, faling to 206p before closing 6 down on balance at 214p after brokers' W. Greenwell and Panmure Gordon had both destroyed. and Parmere Gordon had both downgraded their profits forecast. Other Engineering majors drifted easier in sympathy. GKN softened a couple of pence to 202p as did Hawker to 427p. Elsewhere, ML Holdings fell 8 to 345p after comment on the interim figures, while Westland dropped 6 further to 112p on continuing concern about the group's order book position. On the other hand, Weir put on 3 to 44p, following Press mention. Reports of a "dawn raid" on takeover favourite Rowniree

REPORTS Of a "dawn raid" on takeover favourite Rowntree Mackintosh proved wide of the mark and the shares, after touching 368p initially, drifted back to close just 3 dearer on balance at 365p. E. lsewhere in the Food sector revised desired in the Food at 365p. E. Isewhere in the Food sector, revived demand left Elsewhere in Financial United Biscuits 5 firmer at 197p and Avana 19 higher at 597p. George Bassett put on 7 to 169p, while Maynards gained 5 more to 169p. Dee Corporation, a subdued market recently, revived strongly and closed 13 up at 206p.

About 1970 A 19 per cent stake. Elsewhere in Financial M. & G Group rose 20: and Exco gained 10 to 670 with a market recently revived strongly and closed 13 up at 206p.

BTR met with a flurry of buy-ing activity and closed 23 higher at 672p following the announce-ment that it had reached agreement that it had reached agreement with Dunlop's principal bankers on financing for the Dunlop Group after is gains control; Dunlop ended 2 down at the outset, picked up to 548p after 334p. Other leading prior to closing a net 5 off at miscellaneous industrials were inclined harder. Pilkington Bros, still reflecting a broker's upward revision in profits estimates, gained 10 more to 310p. Elsewhere, Unibond returned from suspension at 218p, up 63, following the bid from Beecham. Speculative demand left Lep Group 13 higher at 255p, while continuing hopes of a renewed offer from Dee Corporation left offer from Dee Corporation left in two days this week on Booker McConnell 9 better at Colorado drilling hopes, encountered profit-taking awaiting Friday's annual results left TSL. Thermal Syndicate 4 higher at and closed 22 down at 500p. New 115p, after 117p. Foseco were court Natural Resources, however, believed to have acreage

Properties made further selec-

**EUROPEAN OPTIONS EXCHANGE** - 11 - 11 - - -- -1,30 A 29 2,30 26 22 20 7,90 4 2,50 7 A 12,90 42 50 69 25 10,50 E 8,60 1,50 2,50 4 7,50 9,50 9,50 12 5,80 13.70 13.70 2.40 7.70 41 - 7 - 16 2 ABN C F1.400 80 12.80 10 | ABN P F1.380 34 4.80 5 12 | ABN P F1.380 34 4.80 5 12 | ABN P F1.500 37 2.70 12 | ABN P F1.500 38 2.10 4 | ABN P F1.500 10 6.20 - ABN P F1.500 392 1.80 34 | ABN P F1.210 13 5.50 - ABN P F1.500 592 1.80 34 | ABN P F1.500 592 1.80 34 | ABN P F1.500 592 1.80 34 | ABN P F1.500 592 1.80 36 | ABN P F1.500 592 11 |20,50 |F1,349.5 5.70 A FL 105 5.50 5.10 FL 74.40 FL 181 — FL 186.80 5 FL 67.80 

stare in F21con, firmed 4 more to 208p. Among other 01 issues, coliver Prospecting revived and gained 5 to 60p. Premier firmed headway included Cookson, 5 2 to 45p while the new nil paid dearer at 545p and Wedgwood, shares added 11 to 6p premium. Horizon Travel gained 8 to 128p following a press sug-

12Sp following a press suggestion that Rank Organisation may be interested in bidding for the company. Intasun hardened a couple of pance to 112p, Leisurctime International eased to bullion closed \$0.75 up at \$303 an ounce, having traded at \$304 2 to 55p awaiting today's pre-liminary results, but Tottenham Hotspur hardened a penny to 75p, after 76p, following satisfactory half-year figures and a consident statement.

Appleyard Group provided an a mid-day rally in the Rand isolated firm feature in Motors, rising 6 to 46p on revived speculative support.

In Paper/Printing, Water rose to Press 4878 Appleyard Group provided an a mid isolated firm feature in Motors, rising 6 to 46p on revived speculative support.

In Paper/Printing, Wace rose 4 to 32p in response to Press comment. Good Relations, however, softened a few pence more to 200p, with sentiment still soured by the internal rift which has resulted in six public relations.

Gains among top-quality stocks extended to over 3 points with Vaal Reefs 3; up at £80; Randsoured by the internal rift which has resulted in six public relations executives leaving the group to join rivals Addison Communications.

Properties made further selections of the state Geduid, £19‡. The more marginal counters fared

Communications.

Properties made further selective progress on Tuesday's report of steadily rising City rents.

Hammersen A hardened 5 more to 510p, while Haslemere Estates rose 4 to 496p. Further demand in a restricted market lifted Peel Holdings 6 to 302p, while comment on the forthcoming market debut of Mann and Co directed attention towards fellow estate agent Bairstow Eves, which put on 4 to 80p.

Ocean Transport encountered renewed support and closed 4 up at 157p. Elsewhere in Shippings, P & O Deferred declined to 1880p and Milford Docks, recently strong on consortium bid hopes, gave up 3 to 76p after profit-taking.

Interest in the Textile sector cooled after the previous day's bid for Tootal. The latter softened a penny to 77p follow-

bid for Tootal. The latter softened a penny to 77p follow-ing the Board's strong rejection of the Australian group's offer. David Dixon met with revived speculative support and finished & hetter at 152p. 8 better at 152p.
Imps attracted another useful trade ahead of next Thursday's half-year figures, but closed unaltered at the overnight level of 205p, after 205p. Bats firmed 6 more to a 1984-85 peak of 383p.

R. P. Martin raced up to 420p.

On next of the hid to approach on news of the bid approach before closing 20 higher at 410p; Security Pacific have been rumoured as the possible suitor and any offer would bave to receive the consent of the German Bjerbaum Group, which hold a 45 per cent stake in RPM Elsewhere in Financial Trusts, M & G Group rose 20 to 825p on news of the bid approach before closing 20 higher at 410p; hold a 45 per cent stake in RPM Elsewhere in Financial Trusts, M & G Group rose 20 to 825p and Exce gained 10 to 670p.

### **OPTIONS**

News that Mexico had First Last Last For announced oil price changes Deal- Deal- Declara- Settle-which undercut the pricing ings ings tion ment system agreed last week in Feb 4 Feb 15 May 9 May 20 Geneva by Opec unsetfled the oil Feb 18 Mar 1 May 30 June 10 Mar 4 Mar 15 June 24 Geneva by Opec unsetfled the oil majors initially. Quotations opened with double-figure falls, but quickly recovered as buyers moved in. Although the leaders finished lower on the day, falls were constally modest. Builton Mar 4 Mar 15 June 13 June 24
For rate indications see end of
Share Information Service
Money was given for the call
of Falcon Resources, Dunlop,
Debenhams, Westland, Riley
Leisure, Meekathara, Aran
Energy, Industrial Finance and
Investment Corporation, New
Court Natural Resources, Silver-Court Natural Resources, Silver-mines, Petranol, Thorn EMI, Sound Diffusion, Chloride, Owners Abroad and A. G. Stan-ley. Puts were done in Cornell and Brewmaker, while a double was transacted in Premier Oil.

dearer at 645p. Leading Australian resource issues displayed modest gains issues displayed modest gains which were often attributable to stock shortages. Bougainville, 138p, Peko-Wallsend, 298p, and CRA, 378p, all hardened a few pence, while Western Mining, dull since Monday's interim profits setback, rallied 8 to 233p. Activity in Traded Options declined, but the 7,966 contracts

# Alexandra Work. 10p. 130 -2 bg4.5 2.5 5.0.11.5 gB\*nnett&rount\*n10p. 13 bg0.42 1.5 4.6 15.7 gB\*Buebird Toys 10p. 128 +5 u8.15 2.3 2.5 16.0 GC alexandra Work. 10p. 128 +5 u8.15 2.3 2.5 16.0 dag. Assets7st War rits: 25 +19 u8.0 2.0 6.9 10.5 dag. Assets7st War rits: 25 +19 u8.0 2.0 6.9 10.5 dag. Assets7st War rits: 25 +19 u8.0 2.0 6.9 10.5 dag. Assets7st War rits: 25 +19 u8.0 2.0 6.3 1.6 18.9 Pacific Assets Tst.50p. 32 +19 u8.0 2.0 6.3 1.16.7 dag. Assets7st.50p. 32 +19 bg.0 2.0 5.1 16.7 dag. Assets7st.50p. 32 +19 bg.0 3.8 (1.1 1.0 28.1 2.4 hittory this procedup 125 +5 u8.0 1.8 2.3 63.3 dag. 1.4 5.2 17.5 dag. 1.4 FIXED INTEREST STOCKS

3 I								
4 b	issue pros £	ald up	atest enung. date		4/85	Stock	Closing price &	+
t		122	250	High	Low		ᅙᅕ	Ľ
		!	( .					.—- {
ğ		230 251	16/4	34 % 54		African Dev. Bank 11 st Lr. 2010 Falixatowa Dock Prf. Units t	80 51	۱
S	85.61	F.P.	22/3 19/6		99	Greyocat Offices 12.652 Uns. Ln. 1990-82 lintAm., Dev. Bk. 9-4 Ln. 2015	1014	
ë	£99,199	CR5	15/3	2978	241g	Lon, Shop Prop. 1123 1st Mort, Deb. 2018	27 25	Γ.
5	` <del>11</del>	F.P.	13/2	11pm 1004	8pm 97%	Mountieigh 32% Conv. Unsec. Ln. 2005 Nationwide Bidg. Soc. 10% 15/12/86	10pm 981x	''
	_ :	F.P.	1 – 1	995 <u>ž</u> 94pm	985	Do. 18% 5/2/86 Polly Peck Intl. 9% Cv. Up. Lp. '03-08	99 IA	Ë
5	1211	NII	]15/8 ]	12pm	10pm	Shires Inv. Units :	9pm 12pm	ı
6 I	91.975	Æ20	27/5	24 7el	171	Sweden 11% Ln. 2012	8014	بدار

### "RIGHTS" OFFERS

	<b>1</b> 59	Latest	1984	l/86	Stock		
price	Amo	Renunc. date	High	Low	SIDGK	Olosing	
88 150 ir.18 38 650 17 250cts	NII NII F.P. NII F.P.	32/3 19.3 4/8 11/2 21/3 1/2 1/3	30pm 14pm 19 614pm 375pm 84 72pm	11pm 15 4lepm 160pm	First Castle 10p	8pm 375pm	-1 +1 +3

Renunciation date usually last day for dealing free of stamp duty. b Figures based on prospectus estimates. d Dividend rate paid or payable on part of capital. cover based on dividend on tull capital. g Assumed dividend and yleid. b Forecast dividend cover based on provious year's seamings. Polyidend and yleid based on prospectus or other official estimates for 1985. H Dividend and yleid based on prospectus or other official estimates for 1985. H Dividend and yleid based on prospectus or other official estimates for 1984. Q Gross. p Pancs unless otherwise indicated. I issued by tender. [] Official holders of ordinary shares as a "rights." \*\* Issued by way of capitalisation. §§ Reintroduced. II issued in connection with reorganization merger or takeover.

Allotment letters or fully paid. [] Introduction. §§ Unlisted Securities Market. § Piacing price T Figures assumed. It Official London Listing. †† Deals in under Rule 835(3). † Comprising 100 Prf. and one Ptg. abars. † Comprising one 11 per cent Crv.Uns.Ln. stt. and one Warrant.

### **NEW HIGHS AND LOWS FOR 1984/5**



Federa ELECTRICALS (3)

Aerospace Engineering
PROPERTY (2)
Dares Estates Himond
TEXTILES (1)
Youghal Carpets
TENTEE (1) STS (1)

Totals	709	501	1,472
Others	81	62	54
Mines	66	29	84
Plentations	-	~~	ã
Oile	26	32	65
Financial and Prop.	173	57	314
Industrials	321	260	864
Foreign Bonds	18	22	33
British Funds Corons. Dom. and	24	31	49
	Rises	Felle	Sam
IESIERDA			

## **ACTIVE STOCKS**

Above average activity the following stocks y	was n esterday	oted in
Stock	Closing price	
BTR	672	+23
BP	545	<b>– 5</b>
Canning (W.)	102	+ 8
Debenhams	216	+23
Faicon Resources	500	-22
Hanson Trust	220	+ B
(C)	870	÷10
Jaguer	305	<b>– 2</b>
Minat Holdings	277	+ 7
Stylo	170	+ 5
T1	214	— в
Thom EMI	460	+20
Based on bergains rec	orded k	Stock

### **TUESDAY'S ACTIVE STOCKS**

Stock	changes	close	change
ootal	28	78	+15
elcon Res	24	<b>522</b>	+42
CI	24	860	+18
nitech	18	265	-25
nperial Group	16	205	<b>÷</b> 9
TR	. 15	649	+12
h <del>eli</del> Trens	15	768	+20
horn EM!	15	440	<b>+</b> 15
AT Inds	14	377	+12
Р	14	550	+15
sons	14	298	+18
ikington Bros	14	300	+15
edia Tech	13	182	+14

# **LONDON TRADED OPTIONS**

			ـــــــا								_	!			
B.P. (*845)	490 460 500 580	132 92 52 26	100 67 38	107 75 47	2 5 10 83	10 20 42	14 27 48 80	Imperial Gp. (*208)	180 200 220	49 29 11 3/2	49 32 20 10	54 36 26 16	1 2 7 18	5 5 12 24	1 2
Cons. Gold (*497)	460 500 550	54 50	65 40 20	75 50 28	68 25 70	73 14 40 77	22 45 87	LASMO (*846)	300 350 360	50 30 6	60 43 28	67 48 35	8 23 03	10 20 32	3
Courtaulds (*144)	110	38 28	40	1 =	14	2 8	<del>  =  </del>	(*181)	160 180	21 41 <sub>2</sub>	24 11	27 15	6	12	10
	130 140 160	1B · 14 6	51 28 19 8	22 10	4 6 18	5 9 20	19 22	P. & O. (*890)	350 350 390 420	55 30 11 2	68 42 26 12	75 53 37 25	2 3 12 40	12 30 48	1 5
Com. Union (*194)	160 180 200 220	56 19 12 5	58 22 14	27 18	5 9 17 37	18 94	15 26	(*198)	200 230 240 260	2 1	18 9 5	26 16 9 5	8 24 44 64	11 26 44 64	21 44 64
G.E.G. (*196)	150 180 200	44 26 13	92 11	30	2 10	13	16	R.T.Z. (*647)	650 600 650	100 52 16	114 74 35	122 82 45	3 20	18 37	3: 5:
Grand Met.	280 240 280 1	81 <sub>2</sub>	12	18	24 44	28 44	16	Vaal Reefs (*589)	70 80 90 100	191 <sub>2</sub> 91 <sub>2</sub> 13 <sub>4</sub> 05 <sub>4</sub>	2012 14 812 5	22 17 121 <sub>2</sub> 81 <sub>2</sub>	034 112 514 1412	81 <sub>2</sub> 91 <sub>2</sub> 16	1
(*298) LC.L	300 350	16 5	97 15	32 18	20 47	27 49 6 10	50 55	Ex.10% 1989 (*£94)	92 94 96	215 016 016	44 2法 1報 0任	5 21 21 11 01	04	0 % 0 % 1 % 2 %	
(*874)	750 800 850 900	132 88 62 25	140 102 65 40	110 80 54	7 15 35 62	23 47 74	28 60 84	Optio	98 I	Mar	Jun.	Sept.	4.8	45gl	Se
Land Sec. (*800)	260 280 300	45 27 14	-25 -25 -25	37 25	2 4 12	6 15 37	9 18	BTR (*678)	650 700	52 20	60 32	67 42	16 44	24 52	3( 5
Marks & Sp. (*129)	100 110	33 23	27	_·	33 11 <sub>2</sub> 21 <sub>2</sub>	31g	<u> </u>	Beecham (*360)	350 350 390	40 20 7	47 30 18	37 18	12 35	18 40	2.
	120 130	13 6	18	22 12	4 1	12	112	Bass (*489)	420 460 500 550	80 45 13 4	90 57 27 12	67 48 20	3 8 26 67	6 18 84 74	21 3
Sheff Trans. (*765)	550 600 650 700 750	220 170 120 73 39	175 127 80 48	132 92 58	3 4 10 35	6 10 23 38 55	14 26 47 75	De Beers (*\$4,48)	390 420 460 500	65 42 23 12	77 60 40 30	95 76 60	6 20 45 75	19 35 58 85	20 50 7:
Traffgar Hae'	800 300	16 92 72	26	30	§		\	GKN (*802)	160 180 200 230	46 28 12 4	51 34 20 10	40 26 15	9 4 8 20	2 5 11 26	11 21
	330 360 390	40 23 9	53 29 16	34 92	4 12 28	8 18 34	21 38	Hanson (*220)	160 178 187 200	63 50 36 26	66 52 39 32	43 57	1 5 5	1 2 4 8	13
Option	_	Feb.	May	Aug.	Feb.	May	Aug.	Januer	220 240 220	12 5	19 10	25 15	10 24	14 28	31
BAT Inds. (*383)	\$80 300 330 380 380	108 88 58 50	118 98 65 40 27	125 106 77 50	1 9 9 4 15	3 6 10 23	5 10 18 30	Jaguar (*807)	240 260 290 300	67 47 29 17	70 50 36 27	78 58 42 31	1 2 7 15	3 4 10 19	1.2 2.4
Barclays (*644)	500   530   600	150 100 50	157 107 62	165 115 72	2 2 2 3	5 6 15	5 10 22	Tesso (*238)	190 200 220 240	51 41 22 8	65 45 27 13	32 16	2 5 5 11	5 8 14	1:
St. Telecom (*125)	80 90 100 110	20 45 35 25 154	471 <sub>2</sub> 371 <sub>2</sub> 281 <sub>2</sub> 21	45 491 <sub>2</sub> 391 <sub>2</sub> 301 <sub>2</sub> 221 <sub>2</sub>	012 012 012	37 01 <sub>2</sub> 1 2 31 <sub>8</sub>	1 1 1 <sub>1</sub> 1 <sub>2</sub>	FT-SE Index (*1290)	1100 1125 1160 1175 1800 1250	192 167 142 117 97 65	197 175 150 150 110	196 93 65	1 3 4 6 10 28	6 12 17 22 37	40

**PRICES** 

- 2 Table

## Less Sach Prof. \*\* And Crest-Field Sach Prof. \*\* And Crest-Fiel | Dot | Compt. | Total | 1984 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 | 158 INVESTMENT TRUSTS-Cont. | Section | Sect 41 17 | INACAN SOC |
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30 | INA | 175 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 | 120 SHIPPING 13.0 21 3.9 03.0 130 21 39 030 1000 19 24 275 60 29 100 43 101 05 73 MU 820 + - - 16 45 03 41 - 16 123 20 47 1729 50 11 94 143 942 - 12 - 12 80 - 33 - 35 SHOES AND LEATHER \*\*286 | 1886 | FI | Group | 203 | 4-5 | 65.75 | 3.1 | 4.0 | 10.8 | 203 | 100 | Garnar Booth | 195 | +2 | 77.5 | 3.0 | 3.5 | 7.6 | 48 | 33 | Headlan, Sens 50 | 33 | 23.0 | 1.6 | 2.6 | 2.0 | 1.0 | 1.0 | 2.0 | 1.0 | 1.0 | 2.0 | 1.0 | 1.0 | 2.0 | 1.0 | 1.0 | 2.0 | 1.0 | 1.5 | 2.0 | 1.0 | 1.5 | 2.0 | 1.0 | 1.5 | 2.0 | 1.0 | 1.5 | 2.0 | 1.0 | 2.0 | 1.0 | 2.0 | 1.0 | 2.0 | 1.0 | 2.0 | 1.0 | 2.0 | 1.0 | 2.0 | 1.0 | 2.0 | 1.0 | 2.0 | 1.0 | 2.0 | 1.0 | 2.0 | 1.0 | 2.0 | 2.0 | 1.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 | 123 | Secontry Services | 125 | 145 | 225 | 6 | 211 | 6 | 155 | 155 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | 165 | | 108.5% 3.2 4.6 6.8 238 338 Geretor | 150.5% 32 4.6 6.8 275 155 Gapeng Berhad MS0.50 | 170.2 2.6 2.4 16.4 275 155 Gapeng Berhad MS0.50 | 170.2 2.7 4.9 (9.2 2.6 2.1 1.5 6.3 2.9 Parkage Msg. 10c | 170.3 255 250 Sangel Red State | 17 Miscellaneous PAPER, PRINTING, ADVERTISING.

265 | 136 | Addition Corons 2p | 260 | ... | 692 | 43 83 | 0.8 | 921 | 281 | 132 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | 136 | OVERSEAS TRADERS 11.0 4.6 4.6 7.8 Uniesz otherwise undicates, prices and net dividends are in p | 105 | Loor to | 11.0 q Lo | 12.0 q Lo | PLANTATIONS 1964-85 High Low 14.0 2.1 2.5 91.17 1.8 1.1 90.26 1.1 8.5 90.94 1.1 5.5 90.95 0.9 6.8 90.95 0.9 6.8 90.95 0.9 6.8 90.95 1.3 1.10 1.35 2.1 2.3 Teas

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720 | 137 | D.R. 49c/Ser. N. 90-92 | 267 | 8.4°J 7.6 | 5.8 |
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365 | 222 | Plantation & Gen lovs | 362 | 1 | 5.0 | 3.1 | 2.0 |
630 | 279 | Williamson £1 | 500 | 20.0 | 3.9 | 4.8 | MINES Eastern

771 | 135 | Bracken 90c.

572 | 275 | Woos Mod ten 5c.

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235 | 167 | Marchael RO.25 |

589 | 217 | S. Almana Ld. 35c. |

589 | 217 | S. Almana Ld. 35c. |

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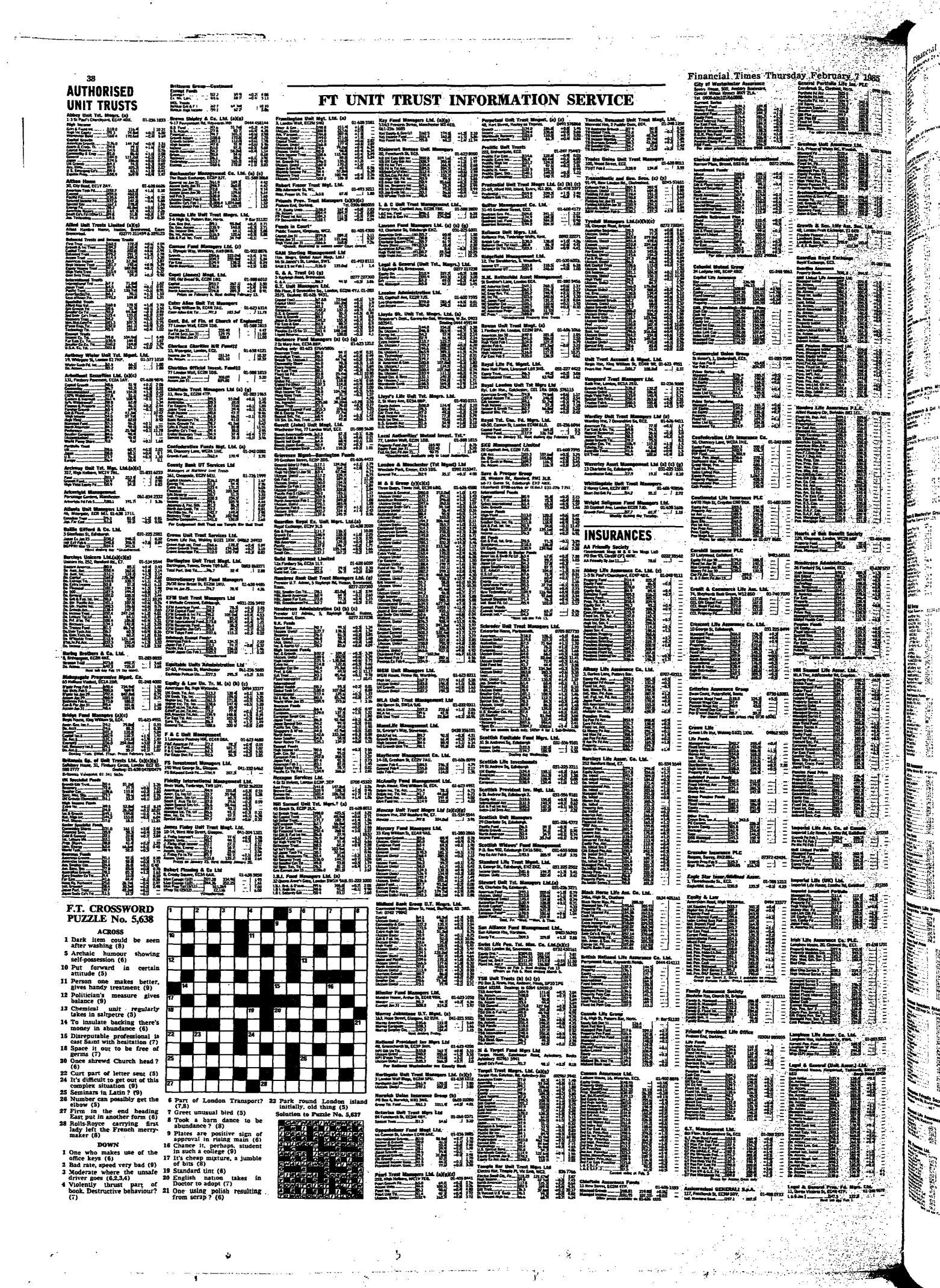
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580 | 68 | Wr. Nigel 25c. | REGIONAL & IRISH STOCKS being is a selection of Pegional and Irish stocks, the latter bein quoted in Irish currency. Far West Rand | 1.5 | 7.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 1.7 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 4.5 | 17 | Yarner Nevell | 1772 | Univers | 1872 | Univers | 1873 | Univers | 1874 | Univers | 1874 | Univers | 1875 | Univers | Uni 575 |+50 | 10552 | 1 | 4.7 |
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52 | 54 | 60565 | 20 | 9.9 | | Q.F. S | Q.B. | SQ0 | Free State Dev. 50c. | | E31 | E184 | FS Gedald 50c. | | E174 | E104 | Hormony 50c. | | E474 | E25 | Lucause RL. | | E3774 | E20 | Pres. Brand 50c. | | E43 | E22 | Pres. Steps 50c. | | E434 | E124 | E145 | E14 60 18 19 | DEBRUOTES AND | DEBRUOTES AN 

February 114

STRIALS BUSCO



## U.S. coffee trade says price could rise further

FLORIDA-If the tight supply and demand situation continues coffee prices could climb to as much as 160 cents a pound basis March New York futures from about 152 cents now, according to coffee traders and dealers at the National Coffee Convention. However, most felt an advance to 156 cents most likely.

They blamed the present market tightness mainly on a recent slowdown in Central and South American shipments because of poor quality supplies, political and administrative problems and shipping delays.

The present supply squeeze emerged when roasters turned to Central America for their supplies following a drop in shipments of quality coffee from Brazil in the aftermath of last summer's period of wet and

cold weather.

The tightness has become acute recently as countries like El Salvador and Mexico delayed exports due to internal bureau cratic changes, they said.

In addition, Colombia over-sold its January-March quota by an estimated 100,000 bags and Nicaragua is experiencing harvesting problems due to guerrilla activity in growing

Brazilian exports have been generally delayed as roasters awaited new export incentives and internal price restructuring. U.S. traders and analysts who have recently returned from South America report that some countries are holding on to sup-plies in expectation of higher

In Sao Paulo, meanwhile, Brazilian exporters registered 373,000 bags of coffee for export yesterday, reducing the out-standing volume for February shipment to some 1.2m bags. Exporters said it was still too early for a clear verdict on the impact of the Brazilian Coffee Institute's (IBC) stock-

pile sales. In two days of sales the insti-tute has sold 163,616 bags. However, the coffee ordered so far has been of low quality and has not yet led to any easing of the firm domestic market.

# Sharp fall in U.S. crude oil stocks

U.S. CRUDE OIL stocks last week sank by more than 7m barrels, to their lowest level since last September, but analysts said that supplies were still more than enough for the

still more than enough for the nation's needs.
At the end of the week, crude stocks stood at 329m barrels, according to the American Petroleum Institute (API), we'll above the 290m barrels estimated as the minimum require-

Dr Edward Murphy, director of APTs statistical department, said the 290m figure was established several years ago before several U.S. refineries went out of business, so the minimum level could now be even lower. Distillate fuel oil stocks dropped last week by 1.4m barrels to 142.8m barrels. The level was still almost 25m barrels higher than this time last year, due to a warm December in the

Although January in the north-east — where heating oil is most heavily used — was between 3 and 4 per cent colder than last year, the temperature difference added only about 100,000 barrels a day to demand.

Residual fuel oil stocks dropped last week by 1.4m barrels to 49m barrels, but inventories were 4.3m barrels ahead of 1984 because heavy oil prices have been high and dual-capacity utilities are often switching to natural gas.

Although crude oil imports were bigher last week at 2.9m barrels, total oil product imports were down more than 2,000 barrels from the same time last

Refineries are reluctant to hold inventories because of stor-rage and interest costs and because prices are expected to fall, according to Dr Murphy. north-east which added about As a result imports in January 300,000 barrels a day to inven-ran about im barrels a day

## **Block announces extra** measures to help farmers

BY NANCY DUNNE

tories, Dr Murphy said.

Agriculture Secretary, yester-day announced measures to be added to his department's underused \$650m (£583m) credit emergency programme. Mr Block said the measures help thousands of financial-strapped farmers unable to get 1985 operating loans.

Acknowledging that the programme, announced by President Reagan during the election campaign, is not being utilised by the private banks and other commercial lenders, the secretary announced an eight point short-term aid scheme effective immediately. It includes the following measures:

 Establishment of a Farm Credit Co-ordinating Group, chaired by the secretary and including many of the govern-ment's top banking officials, to

MR JOHN BLOCK, the U.S. co-ordinate activities of federal and financial regulatory agencies and

federal programmes. An interest rate "write-down" option for operating loans to be offered by banks along with a principal write-down scheme in the present programme.

• A credit assistance pro-

gramme with federal guarantees backing up to 90 per cent of the loans to producers pre-viously served by failed lending institutions.

Special teams of USDA lending officers to be established in areas where commercial banks or farm credit system institu-

## **Brazil** to restrain growth in tin exports

RIO DE JANEIRO—Brazilian tin producers will voluntarily restrain the growth in their exports this year so as not to upset the international market, reports Reuter.

SNIEE, is forecasting 1985 exports will increase 7.75 per cent to 14,385 tonnes. In 1984 exports increased over 50 per cent to 13,227 tonnes from 8,684 the previous year.

The anticipated slowdown in the growth rate of exports follows talks between representatives of the Association of Tin Producing Countries (ATPC) Producing Countries (ATPC) and the Brazilian government and industry.

Brazil decided not to join the ATPC because it did not want its relatively young tin inustry to be subject to the dictates of other countries and the International Tin Council.

However, an agreement was reached in which Brazil under-took to adopt an export policy which would not disrupt the world market.

CARGILL Investor Services, the broking subsidiary of the Cargill group, and Galbraith, the international shipbrokers owned by Samuel Montagu, are to join forces to promote the freight futures market (Biffex) which is due to open in May. Both companies will continue to operate independently, but will co-operate in the marketing of freight futures to potential users.

• NEW ZEALAND will spend a record £5m this year promoting its lamb in the UK in the largest promotion for red meat in Britain.

◆ THE EEC yesterday authorised the export of 55,750 tonnes of white sugar and 6,500 tonnes of white sugar and 6,500 touties of raw sugar at its weekly selling tender. The maximum subsidy granted was 42.620 European currency units per 100 kg on the white sugar exports and 39.190 units on the raws. PENINSULAR MALAYSIAN

tions have been liquidated.

The plan requires no additional federal funding, and it is tlikely to be found inadequate by many farm-state legislators

FERNINSULAR MALLAYSIAN
Tubber production robust from a revised 121,856 (originally 121,801) in October, compared with 152,136 in November

# Canada seal industry fights back Big rise in

THE CANADIAN seal industry is fighting back against the conservation and animal rights groups that have destroyed its markets by persuading the U.S. and European Community to outlaw imports of seal pup pelts.

outlaw imports of seal pup pelts.

Sealers and their supporters are making their views heard from a platform provided by the Canadian Government in the form of a Royal Commission on the sealing industry set up last July. The commission is holding public hearings in several Canadian cities, and also plans to take evidence in Washington and London. and London. Its chairman, a Quebec judge,

has dismissed complaints that the commission is biased in favour of the industry it is

investigating.

Its report, however, is due to appear shortly before the EEC decides whether to renew a two-year ban on pelt imports which expires at the end of September. Sealers clearly hope that the commission's findings will convince European governments (and others) that maintaining the ban will serve no useful

Several community figures from the main seal hunting regions of Newfoundland, Lebrador and the Gulf of St Lawrence have also called on the Canadian authorities to retaliate against the import ban on pelts by curtailing European fishing rights off Canada's east coast.

The controversy over the clubbing of baby seals for their none. It has mothballed its hypocrisy, one local sums uponce-fashionable white pelts processing plant at Trinity Bay the views of the seal hunting came to a head about a year in eastern Newfoundland, loby: "We like seal meat like ago when anti-hunt groups Another processor, Karlson someone else likes turkey."

produce 718m tonnes of coal

Boris Bratchenko, the Coal

BY PATRICK COCKBURN IN MOSCOW

Bernard Simon on moves to lift the EEC ban on pelt imports

organised boycotts against supe organised boycotts against supermarkets and fast-food chains in the U.S. and Britain buy Canadian fish products.

Tesco, the British super-market group, bowed to the pressure and agreed to halt purchases of Canadian fish until the seal hunt was stopped. McDonalds and Burger King, however, ignored the protests.
The protestors aim has been accomplished in that this win-

ter, for the first time, commercial sealing has come to a halt on Canada's east coast.

"It has killed sealing completely," according to Mr Bernhard Nygaard, president of Carino, the Norwegian-owned company which used to be the

biggest buyer of sealskins for Although the U.S. and European import bans apply only to pup pelts, the wave of adverse publicity given to seal hunting has also ruined the market for the silvery, black-spotted adult skins used mainly for coats and

such skins from hunters in 1980. This year, the company will buy

Shortfall in Soviet coal output feared

boots.

THE SOVIET UNION plans to put from Kubass was 146m produce 718m tonnes of coal tonnes in 1983 but many of the

in 1985 but a fall in output is causing concern.

Production dropped by 10m tonnes below plan last year to coal industries to meet targets.

712m tonnes, according to Mr last year was criticised by the

Shipping of Halifax, has also stopped buying skins, concentrating instead on its shipping. The collapse of the pelt market is working through to other parts of the economy of Newfoundland and Labrador, one of the most depressed regions of North America with an unemployment rate of almost 20 per cent. The area already 20 per cent. The area already depends heavily on financial transfers from the federal

government.

According to the Canadian Sealers' Association, there are between 5,000 and 10,000 sealers, most of whom augment their income by fishing and trapping in the summer months. About 2,000 are estimated to december their answer and the summer months. depend mainly on sealing for a

Fishing experts have argued that the rapidly growing seal population will consume significantly larger amounts of fish thus reducing the commercial catch. In addition, the seals will livelihood. pass on larger number of para-sitic worm to commercial fish. The Canadian fishing industry spent about C\$50m last year removing worms from its catch. Despite the ban on peris, subsistence hunters are expected to kill up to 50,000 seals this year as food for local communities.

Newfoundlanders are especially bewildered that conserva-tionists have picked on them, and put a large share of the blame on newspaper and television pictures of bady seals being clubbed on the ice. Accusing the protestors of hypocrisy, one local sums up

Kuzbass is expected to supply 200m tonnes of coal a year by

1995. Mr Victor Abramar, chief engineer for the field said half

of the existing mines have nearly exhausted their coal

constructed. He said work was

far behind schedule.

25.70

Close 302.2 303.2 306.3 309.6 318.6 323.5 328.7 334.1 339.8 345.8 345.8 352.1

HEATING OIL 42,000 cents/U.S. gallons

March May Sept Nov Jan March May July

Feb March April July Oct Jen

73.05 70.35 69,00 68.25 68.45

GOLD 100 troy oz. \$/troy oz

High Low 303.7 302.1 303.4 303.4 307.0 304.8 311.2 309.4 314.3 314.0

325.2 323.0

347.4 347.4

Low 72.25 69.50 68.20 67.50 68.20

277.5 284.0

296.0

682.0

High 73.40 20.35 69.00 68.35 68.20

March 73.15 73.25 89.50 7.25 89.50 7.25 89.50 7.25 89.50 7.25 89.50 7.25 89.50 7.25 89.50 7.25 89.25 8

PLATINUM 50 troy oz, 5/troy oz

Close High. 274.9 277.0 278.6 282.0 283.8 282.0 283.8 286.0 289.5 286.2

SILVER 5,000 troy oz, cente/troy oz

687.6

302.3 303.4 305.5 309.8 314.2 318.8

323.7 328.9 334.3 340.0 345.0 352.3 358.9

68:40 68:35

Prev 618.2 621.5 626.9 630.4 639.5 649.4 665.6 671.1 682.2 894.7

Merch May July August Sept Nov Jan Merch Merch

world grain stocks expected

ROME — World carry-over cereal stocks at the end of the 1984-85 season are expected to reach 294m tunnes. 28m more than in the previous season, the United Nations Food and Agriculture Organisation said.

Most of the stocks will be in wheat, 50 per cent of which will be held by the leading exporting countries the FAO said.

said.

The organisation said world cereals production last year reached a record 1.780m tonners 8 per cent more than in 1983.

Most of last years rise was due to a recovery of course grain output in the U.S., where the 1983 maize crop was hig by drought and by farmers participation in a programme to cut acreage.

pation in a programme to cut acreage.

World coarse gram production is estimated to have totalled 801m tonnes in 1994 and 696m the previous year.

In Paris yesterday, M. Jean Moulais, director of the French Cereals Intervention Board, said French soft wheat prices were lower than the intervention. lower than the intervention price for the first time in the

board's history.

The soft wheat price basis Rough, was FFr. 1180 a tonne compared with an intervention price basis August of FFr 1.250. M Monlais said: The European Commission's proposals for 1985-86 cereals prices were not

A 3.6 per cent drop in prices for most cereals would be slightly but not fully compensated by a proposed two point reduction in negative French

monetary compensatory amounts (MCAs), he said: The French National Associ-ation of Agricultural and Cereals Co-operatives is to open a London branch soon to allow arbitrage operations on EEC cereals. - Home - produced - cereals

supplies at present levels and needed to be deepened and retraded between 50p and £1 per tonne down following increased general selling yesterday. Bro-The Kuzbass coalfield has kers said sentiment was infu-enced by the Ministry of Agriculture's UK supply deproven reserves of 41.5bm enced by the tonnes of accessible high agriculture's quality hard coal of which a third can be strip mined.

PORK BELLIES 38,000 ib, cents/tb

MAIZE 5,000 bu min, cents/56-ib bushel

Close 273.2 280.0 282.2 275.0 288.6 277.2 282.8

SOYABEANS 5,000 bit min/

Closs High 597.6 603.0 610.0 815.0 620.2 625.2 8 622.0 526.4 615.4 617.0 617.0 619.4 625.4 631.2 643.0 843.0

SOYABEAN MEAL 100 tons, \$/ton

Closa High 137.2 138.0 143.4 144.0 149.3 150.0 151.7 162.6 154.3 155.2 156.7 162.8

SOYABEAN OIL 60,000 fb, certs/fb

Close High Low 28.33 28.48 28.18 27.47 27.70 27.55 26.73 25.96 25.62 25.27 28.50 26.25 25.75 26.00 25.70 24.35 25.20 24.35 24.40 24.55 24.35

### LONDON MARKETS

COPPER led a general downward trend on the London Metal Exchange yesterday falling back from the five-year peak prices reached on Tuesday. A disappointing performance in New York overnight encouraged speculative selling in the morning but values rallied in late kerb

creased selling pressure, and news that Asarco, the U.S. producer, had cut its U.S. domestic price by 1 cent to 19 cents a pound. It also reduced its U.S. copper price In the "soft" commodity markets, cocoa prices continued to fluctuate. The May futures position moved from a low of £2,218 to a high of £2,264 before closing at £2,229.5 a tenne, £12.5 down

## **COPPER**

Cash 3 months Settlem't	1280 .5	-,5	1259-88 1281-,5	-18 -6,25
Cathodes Cash 5 months	1269-1	+1	1255-5 1276.5-7.1	
Settlem' t	1261	+1	_	
Amaigar that in th traded at £1,276, 77,	e mornin £1,260,	60.5,	three m	grada anths
Cash £1.24 Higher Gra	51, three ide: Thre	month mon	s £1,276. the £1,28	Kerb: 2, 83.
£1,282, 83. Three mo Grade: Ti	82.5, 83 otha £1	, 82.5 <u>.</u> 276.5.	82. Cath Kerb: I	odes: ligher
97, 86.5, 1 tonnes. U	86. 87. 8	8. Tu	mover: 1	2.050

TIN

a.m. Official TIN ligh Grde

Tin-Morning: Standard Cash 19,970, 75, three months 19,930. High Grade: Cash 19,980, 80, three months 19,925, 30, Alternoon: Standard: Cash 19,975, 70, three months 19,940, 32, 31. High Grade: Cash 19,985, 90, 71, three months 19,940, 32, 31. High Grade: Cash 19,985, 90, 71, three months 19,925, 10, 15, 10, 20, Turmover: 1,890 tonnes.

LEAD Official - Unofficial - i

ZINC

Zino—High Grade Official/Uno preces: Cash am £782-787, pm £78 Three months am £787-789, pm £78 790. Settlement £787. Morning: months £758. High Grade: Cash 89, 88, 87, three months £789. Three months £757, 58. Afternoon: months £757, 56, 55, 58. Kerb: months £758, 57. High Grade: £768. Turmover: 8,800 tonnes.

...£1100 | .....£1100 ...\$165/1176----10 |\$1199/1150 Copper Cash h Grade.....£1259.5—10 £1163.5 3 mths ...........£1281.25 —6.25£1172.35 d troy oz....

COPPER Official - Unofficial -High Grde & & £ &

Nickel—Maming: Cash 24,575, 70, three months £4,585, 90, 95, 90, 80, 85, 90, 98, Karb: Three months £4,599, 80, Attemoon: Cash £4,555, three months £4,575. Karb: Three months £4,585, 90, Tumover: 1,248 tennes.

Gold rose \$% to \$302\(^1\)-203\(^1\) on the London builton market yesterday. It opened at \$303-303\(^1\) and was \$02.85 in the morning and \$302.85 in the atternoon. The metal touched a peak of \$303\(^1\)-304\(^1\) and a low of \$302\(^1\)-303\(^1\).

GOLD BULLION (fine ounge) Feb. 6

Kr'g' r'nd. 8312 ¼ 813 ½ Krug. 8181.161 ¼ ¼ Krug. 828 252; ¼ Krug. 858 ¼.34 Maple leaf 851 24.31; New Sov. 8712.734; New Sov. 8732.734; New Sov. 8732.74 SEØ Eagle 8465-495 Noble Plat 8284-287

MAIN PRICE CHANGES

Coconut (Phil) Palm Malayan Copra Phil A mms. 2556.73 m./5285.75 min./5285.75 min./

SILVER

LME—(2,000 oz contract): cash 597p (553.5p); three months 574.5p (571.5p). Turnover: 0 (0). Turnover: 36 (61) lots of 10,000 oz. Morning: large 2nd ring three months 575.5. Kerb: untraded. Afternon: 2nd ring three months 574.5, Kerb: untraded.

COCOA

Initially £30 lower futures ratied strongly and held until mid-afternoon. Renewed profit taking then eroded much of the gain and the closs was week, reports Gill and Duffus.

£ per tonne 2925-3228 7.5 2243-2194
292 --- 7.5 2924-2218
292 --- 7.5 2924-2218
2125-2197 +2.0 2225-2181
2145-2050 +0.5 2984-2042
2010-2020 -8.5

COFFEE Continued support in forward contracts litted values but commission house selling kept neerbys below unchanged levels. Following a retracement in New York. Prices fell 220.25. Trade buying and light profit-taking encouraged a recovery before turther commission house pressure produced a weaker finish, reports Drexel Burnham Lambert.

Sales: 2,282 (2,006) lots of 5 tonnes. ICO Indicator prices (U.S. cents per pound) for February 5: Comp. daily 1978 137.38 (137.73): 15.day average 138.69

INDICES FINANCIAL TIMES Feb. 5 Feb. 4 Mrth ago.Yearago

500.53299.56" 298.31 | 293.98 (Base: July 1 1982 = 100) Feb. 6 Feb. 5 M th ago Year 890

2018.3 2028.7 1918.4 1988.3 MOODY'S Dec. 27 Dec. 19 With ago Year ago

DOW JONES Dow Dec. Dec. Month Year Jones 27 19 ago ago Spot 121,99 122,85 - 140,42 Fut, 124,83 123,68 - 148,83

(Bese: December 31 1974 = 100)

**GRAINS** 

+0.50 112.75 +0.50 115.65 +0.55 -- 97.15

lots of 100 tonnes.

LONDON GRAINS—Wheat: U.S. Derk Northern Sonng No. 1, 14 per cent: March 178:50, 1st-helf April/1st-helf May 169:25, June 169:85, transshipment East Coast. U.S. No. 2 Soft Red Winter: March 164:50. April 185, May 164:75. English Feed, fob: Fab 113:25 perd 80eton, March 114:50. April/June 117:50 East Coast. Maker U.S. No. 3 Yellow/French: Feb 147:50, transshipment East Coast. Barley: English feed, fob: Fab

Sales: 115 (299) 3,250 kg.

**POTATOES** 

£ per tonne

Moderate trading in March and April Brent was mainly at a little above Tuesday's lows but prices strengthened towards the close. Nymex openad 2 cents up and traded at that level at 1 pm EST. The petroleum products market was very quiet as traders gethered in Landon for the annual conterence. In very limited trading prices for prompt gas oil were unchanged but rose \$2 for late Fabruary. Heavy fuel continued stable and inactive in the U.S. and Europe—Patroleum. leum Argus, London.

CRUDE OIL-FOB (5 per barrel) Arab Light ..... Arab Heavy.... ### 1.50 27. PRODUCTS—North West Europe "cif" (5 per

\* March; rest February. Petroleum Argus Estim

GAS OIL FUTURES

RUBBER

PHYSICALS — The London merket opened quiet; attracted a fair amount of interest throughout the day and closed on a quietly attacky note, reports Lewis end Past. (Cosing prices (buyers) apot 64.00p (sume); March 75.50p (74.75p); April 78.00p (75.25p). The Kuala Lumpur Feb fob price for RSS No. 1 was 188,5 (185.25) cents a kg and for SMR 20 was 182.0 (181.0). SOYABEAN MEAL

o per conne 115.8 116.2 116.6 116.6 116.5 116.5 116.5 124.0 124.4 125.6 126.0 127.4 121.4 132.6 126.6 126.6 126.4 125.4 125.4 125.4 140.4 141.0 141.4 141.6 142.0 149.2 140.9 140.0 144.0 140.0 147.8 181.0 128.0 120.0 126.0 126.6 126.4 0.161.6 187.8 188.0 126.0 176.6 157.6

U.S. MARKETS

Politburo last month. A central

Commodities. Copper was mostly lower on arbitrage selling against weaker ster-ling. Heating oil declined as industry stocks showed less than expected disappearance. Coffee moved sharply lower on reports that Brazilian sales unchanged after a recovery turer buying and commission mained stable in an inactive market. Cotton was mixed after consolidation following Tuesday's rally. Soyabeans and wheat were moderately lower in light trading as reports of better country movement shifted the market psychology towards further

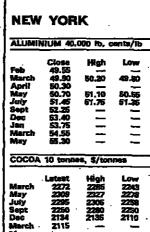
The market opened unchanged to 50p lower in sctive trade, reports T. G. Roddick. Prices nose lete in the day to close about unchanged.

Sales: 2,503 (2,881) lots of 50 tonnes. Tate and Lyle dollvery price for granulated besis sugar was £212,00 (£215.50) a tonne for export. International Sugar Agreement — (U.S. cents per pound job and stoward Caribbean ports.) Prices for February 5: Daily price 3.78 (2,90): 15-day sverses 2,76 (2,77).

PRECIOUS METALS followed currencies and finished

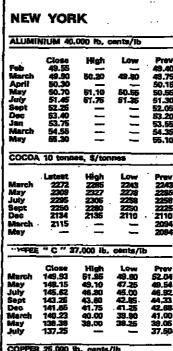
slightly lower, reports Heinold

good commercial support against rumoured Soviet pur-



Boris Bratchenko, the Coal theme of Soviet planning is to theme of Soviet planning is to maintain traditional energy sources at existing levels of because of the failure of the Kuzbass coalfield in West the development of gas and Siberia to meet its target. Out-

selling. Maize was mixed on



OTHER MARKETS

HIDES

LONDON NEW ZEALAND CROSS

LIVERPOOL—Spot and sales amounted to 118 tenness for raw cotton—was only of proportions, the bulk of the being in Middle Eastern and dimerkie PARIS ....

SPOT PRICES—Chicago locas 24.50 (asme) cente per pound -York in 592.0-590,0 (504.0-520.0) / per pound. Handy and Hanten I buillon 521.0 (617.0) zents per

CHICAGO -

LIVE HOGS 30,000 tb, cente/lb hofianc 10 lainne indisiger 20 lag 1,000

ER CURRE

rate Ocean Lia Franc 100 BRO-CURREI F±0.6 High Low Faw 274.2 273.0 274.4 280.6 279.2 250.8 283.2 281.4 282.5 275.6 274.2 265.2 288.5 268.2 289.0 278.2 277.0 277.4 283.0 281.5 282.4

ONEY N Hope TE OF a redu

may off a reduced of as interest case of a mercer of a mercer of the far, while the far while the fa dictearing stage rate is since Janu Direction the control of the control

LONDON MIERBANK

February The

CURRENCIES, MONEY and CAPITAL MARKETS

<u>FUI</u>	<u> CEI</u>	5N	E	X	CH	AN	G	ES
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			. '				٠.	

# Late fall by dollar

POUND SPOT-FORWARD AGAINST POUND

The dollar weakened in late European trading after touching further record levels earlier in the day. Profit taking set in when the U.S. currency breached the DM 3.23 level against the D-mark. At the same point the foreign exchanges became very nervous of renewed foreign exchanges became very nervous of renewed foreign exchanges here to 14.57 from 148.4 state of 1.105. January average intervention, following rumours the German Bundesbank asked some leading banks to remain

per cent from  $S_{15}^{**}$  per cent on The sound touched a low of The D-mark remained under Silfering an early setback as before the dollar's sudden decline further consideration was given to the prospects of higher U.S. interest rates, following the apparent disagreement between recovered from early losses against 1238 six menths against other major currencies. The D-mark remained under The D-mark remained under pressure against the dollar yesterday, with the U.S. currency before the dollar's sudden decline pushed sterling up to close at its peak of \$1.1135-1.1145, a rise or 25 points on the day. There day. The absence of intervenday. to the prospects of higher U.S. interest rates, following the apparent disagreement between the Reagan Administration and

the Federal Reserve Board over monetary policy. By the middle of the day the dollar was gradually moving higher however, touching further record levels against the French

record levels against the French
franc, Italian lira and Scandinavian currencies, and another
13-year peak in terms of the
D-mark
But after touching a high of
DM 3.2305 the dollar fell back to
lease at DM 2315 compared with close at DM 3.215 compared with DM 3.2270 previously, and to FFr 9.8375 from FFr 9.86;

OTHER CURRENCIES

DM 3.23 level against the D-mark. At the same point the foreign exchanges became very nervous of renewed foreign exchange intervention, following rumours the German Bundesbank asked some leading banks to remain late in Frankfurt.

The Federal funds rate in New York was also showing a softer tone at the time, falling to 8-th per cent from 8-th per cent on Tuesday.

Thuring most of the desired recovered from early losses against other major currencies. The pound togethed the second form throughout, and recovered from early losses against other major currencies.

Changes are for Ecu, therefore

4.95 1.25-1.20pm 3.75 1.28-1.14pm 5.84 6'2-6'2pm 3.34 51-42pm 182 Fy-3'4pm -0.68 0.05-0.42dis 7.10 6'2-80m

6.27 39's-35'spm 7.87 5's-5'spm

EMS EUROPEAN CURRENCY UNIT RATES 44.5511 8.14104 2.24184 6.87458 2.52595 0.72589 1403.49

to curb the dollar's strength. At one time the dollar touched a low of DM 3.2175, but had recovered 1s DM 3.2230 by the time of the Frankfurt fixing, when the Bundesbank sold \$13.95m. Also at the fixing sterling rose to DM 3.5880 from DM 3.58, and the Swis franc to DM 1.1791 from DM 1.1751. The Y288.50. D-MARK — Trading DM 1.1791 from DM 1.1751. The French franc was unchanged at DM 32.7555 per 100 francs. J-MARK, — Trading range against the dollar in 1984-85 is 3.2270 to 2.5535. January aver-age 3.1698. Exchange rate index 119.8 against 123.8 six months STERLING EXCHANGE RATE INDEX (Bank of England) 8.30 am ..... 71.4 9.00 am ..... 71.4 10.00 am ..... 71.4

11.00 am ..... 71.4 1.00 pm ...... 71.4 2.00 pm ..... 71.4 71.4 3.00 pm ..... 71.4 71.4 4.00 pm ..... 71.5 £ in New York

Spot | \$1,1185-1,1149 | \$1,1125-1185 onth | 0,47-0,45 pm | 0,44-0,41 pm onths | 1,25-1,20 pm | 1,16-1,13 pm nonths | 2,75-2,60 pm | 2,46-2,35 pm

tion by the German Bundesbank

on the open market sparked late demand for the dollar, pushing it to a trading peak of DM 3.2305. During the morning the market

was generally quiet and nervous that the central banks would try

to curb the dellar's strength. At

DOLLAR SPOT-FORWARD AGAINST DOLLAR Day's spread | 1.1105-1.1145 | 1.1135-1.1146 | 0.48-0.44c pm | 4.95 | 1.25 | 1.325-1.3350 | 0.48-0.44c pm | 4.95 | 1.25 | 1.325-1.3350 | 0.48-0.42c pm | 4.95 | 1.25 | 1.325-1.3350 | 0.48-0.42c pm | 4.95 | 1.25 | 1.325-1.3350 | 0.48-0.42c pm | 4.95 | 1.25 | 1.325-1.3350 | 0.48-0.42c pm | 4.95 | 1.25 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 | 1.20 |

CURRENCY MOVEMENTS CURRENCY RATES

Bank Special Europ's current Current Rights Unit - 0.870238 8 0.967879 9.75 4 21.9118 Sterling ... U.S. dollar 2,22509 2,51941 6,79456 1368,40 179,198 6,41222 122,985 6,33630 1,88743 90,5343 i,0,715556 Swiss franc. ...

1980-1982=100. Bank of England Index (base average 1975=100).

# **FINANCIAL FUTURES** Quiet trading

Trading was quiet on the Lon-on International Financial Futures Exchange Tuesday's three-year note auction by the U.S. Treasury was well strong attempt to push the price up to 91.00, but selling set in

received, and sentiment was also helped by a slight easing of Eurodollar interest rates. This encouraged three-month Euro-dollars for March delivery to open firm at 90.96. There was a below this level, and the con-tract peaked at 90.99. Traders in Chicago took the market down in the afternoon, partly on ner-

First E-MONTH EURODOLLAR Sim points of 100% Previous day's open int 13,934 (13,726) CHICAGO THREE-MONTH STERLING 2500,000 points of 100%

March 89.09 — 89.10 Estimated volume 2,476 (2,228) Previous day's open int 5,880 (5,701) 20-YEAR 12% NOTIONAL GILT 50,000 32nds of 100%

Close High Low Prev
March 1.1085 1.1075 1.1085 1.1075
June 1.0955 1.0972 1.0985 1.0980
Sept 1.0910 1.0920 1.0910 1.0930
Estimated volume 2,168 (13)
Previous day's open int 3,996 (3,908)

JAPANESE YEN Y12.5m \$ per Y100

me 461 (503) n int 1,316 (1,286)

vousness ahead of yesterday's auction of \$6bn in 10-year notes. yesterday, and today's sale of \$5.75bn of note auction 30-year U.S. Treasury bonds, re-y was well flecting fears that Tuesday's successful auction may not be a good guide to the demand for longer term paper, March Enro-dollars closed at 90.94 compared with 90.90.

> March delivery filts opened weaker at 103-17, but improved in line with good buying in the cash market, to touch a high of 103-28, before closing at 103-26, virtually unchanged from the Tuesday close of 103-25.

Close High Low March 72-18 72-29 72-17 June 71-17 71-17 — 73-od volume 684 (1,284) day's open int 2,077 (2,148)

U.S. TREASURY BONDS (CBT) 8% \$100,000 32nds of 100% U.S. TREASURY BILLS (IMM) S1m points of 100%

March 91.81 91.83
June 90.94 90.97
Dec 90.52 March 90.17 90.18
June 89.89 89.90
Sept 89.63
Dec CERT DEPOSIT (IMM)
S1m points of thick STERLING (IMM) Se per £

67-12 67-14 67-12

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Mercantile House Group Lazard Brothers Fund Managers (Channel Islands) Ltd. P.O. Box 275, 16 Glateguy Esplanade St. Peter Port, Guernsey. 0481 21367 Lazard Curr, Res. Pnd. £ 13.1 Lazard Curr. Res. Fnd. USS Lazard Curr. Res. Fnd. Y Lazard Curc. Res. Fnd. DM Lazard Curr. Res. Fod. SF Lazard Curr. Res. Fnd. FF 30.02 101.51

### Company Notices

FINLAND OY U.S.\$15,000,000 8}% 1971/1986 675-676: 803-809
15th February, 1983
13215: 13464-13465
15th February, 1984
2416: 1420-3422-3542-3549-3564-3565; 3948: 4539-4542: 4548-4553; 4576-4577; 4512: 4744: 4755-4756: 4761-4764: 4808-4817: 4862: 4867-4868: 4871-4872: 4925-4927; 4975-4976

INVESTMENT COMPANY NOTICE OF AN
EXTRAORDINARY GENERAL
MEETING OF SHAREHOLDERS
Shareholders of CHEAN Heeting
Shareholders of CHEAN HELIPPI
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THE PHILIPPINE

### EXCHANGE CROSS RATES

MONEY MARKETS

UK clearing banks base lending rate 14 per cent since January 28.

Three-month eligible bank bills rose to 13; per cant, from 13-13; per cent. And three-month

Feb. 8:	(Pound St riing	U.S. Dollar	Deutschem k	Panesa Yen	FrenchFranc	Swiss Franc	Dutch Gulid	Italian Lira	Canada Dellar Belgis	an Fran
Pound Sterling	0.898	1,114	3,822	289.0	10,95	3,050	4,065	2203.	1,487 7	1.80
U.S. Dollar		1.	3,822	259.5	9,838	8,737	3,649	1978.	1,384 6	4.45
Deutschem rk Japaness Yen 1,000	0,279 5,460	0.310 3.855	12,42	80.50 1000.	3,050 57,89	0.850 10,55	1.283 15.93	613.5 . 7621		0.00 48,4
French Franc 10	0,913	1,017	3,279	255.9	10.7	2.785	4.205	2011.	1,358 6	5.57
Swiss Franc	0,328	0,365	1,177	94.75	3,590	1.	1.510	722,1	0,487 2	3.54
Dutch Guilder Italian Lira 1,000	0.217 0.454	0.249 0.506	0,780 1,630	62,76 131.2	2.378 4,978	0.662 1,385	2.091	478,3 1000,		5.59 2,60
Canadian Dollar	0,673	. 0.749	2.415	194,4	7,366	2.052	3.098	1482		8.30
Belgian Franc 100	1,395	1.568	5.000	409,5	16,85	4,248	5 414	3068.		00,

EURO-CURRENCY INTEREST RATES (Market closing rates)

7 days' notice 14-144 84-84 95-93 52-51 17-21g 661 103-101 135-144 1014-105 103-105 6664 1	Feb.5		U.S. Canadian Oliar Dollar	Dutch Guilder	Swiss Franc	D-mark	French Franc	italian Lira	Belgla Conv.	n Franc Fin.	Yen	Danish Krone
Three months	7 days' notice Month Three months Six months	14-14-14 8-14 14-14-14-15 8-14-14-15 15-15-15-15-15-15-15-15-15-15-15-15-15-1	66 94 94 66 86 94 86 96 96 96 96 96 96 10 10 10 10 10 10 10 10 10 10 10 10 10	535 532 63 644 63 614 61 511	14.54 178 218 - 556 51e	6-61g 61g 614 6-3-5-8 6-16-6-8	1049 1042 1042-1059 1042-1145 114-1149	1854-1454 1418-1459 1412-15 1458-15	1014-1054 1016 11 1012-11 1056-1118	1036-1056 1056-1078 1034-11 1078-1116	64-639 64-639 64-64	11-114 11-114 103-114 114-113- 11-114 11-112

Asian S (closing rates in Singapore): Short-term & & & & & par cent: seven days & & per cent; one month & & & per cent; three months & & & cent; six months 9 & per cent; one year 90%, 90% per cent; four 1114-1114 per cent; five years 110%-1114 per cent; four cent; four cent; five years 1112-114, per cent months. Short-term rates are call for U.S. dollars and Japanese yen; others two days' notice.



# Cable Television & Satellite Broadcasting

The Financial Times third international conference on Cable Television & Satellite Broadcasting will be held at the Royal Lancaster Hotel in London on 19 & 20 March 1985.

Issues to be discussed:

\*What kind of programmes are viewers prepared to pay for, and what are the economics of making and distributing them?

\*What roles should governments play in fostering the new media, and what kind of regulatory framework is needed? \* Is there likely to be a mass market for interactive home information

services, and how fast will it develop?

\*What lessons can Europe learn from recent US experience? Some of the speakers taking part:-

Mr Glies Shaw, MP Minister of State at the Home Office

The Rt Hon The Lord Thomson of Monifieth, KT, PC Chairman

**Independent Broadcasting Authority** Mr Brian Deutsch

Westminster Cable Company Ltd Mr Peter F Hazeil National Economic Research Associates Inc

Mr Patrick Cox Sky Channel

Mr Elco Brinkman Minister of Welfare, Health and Cultural Affairs, The Netherlands

Mr Stephane Hessel Membre de la Haute Autorité de la Communication Audiovisuelle

Mr Francis Baron W H Smith Cable

Mr Richard Hooper British Telecommunications plc

Mr José Frèches Rapporteur Général du Cable à la Ville de Paris

**Cable Television** & Satellite **Broadcasting** 

Minster House, Arthur Street, London EC4R 9AX. Tel: 01-621 1355 Telex: 27347 FTCONF G								
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### fl3m of Local Authority bills; both carried a rate of 13; per FT LONDON INTERBANK FIXING

(11.00 a.m. February 6) 3 months U.S., dollars bid 8 5/4 ... offer 8 7/8. 6 months U.S. dollars

The fixing rates are the arithmetic means, rounded to the nearest one-sixteenth, of the bid and offered rates for \$10m quoted by the market to five reference banks at 11 am sach working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Bankou Nationale de Paris and Morgan Guaranty Trust.

Hopes recede for lower interest rates

HOPES OF a reduction in bank base rates receded further yester-day as interest rates on the London money market again increased and moved nearer to the 14 per cent level.

The day, while quiet, saw the dollar establish more records against some European currencies while the pound looked nervously vulnerable.

Rates were also influenced by the possibility, soon of higher U.S. interest rates.

This operation was accombank bills at 13½ per cent.

Aftermoon operations involved a further purchase of band 2 assistance and a take-up of bank bills outright amounting to repurchase by the market £104m; exchequer transactions £150m; late assistance of £45m.

In all the Bank provided total bank bills at 13½ per cent.

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In all the 11-144 11-143g 1378-13 14 154 15. 18. 124 1414-1444 1414 14 1378 15% 15% 13 13 11/8 14% 14% 15% 12% 14 134 156 127

13-13; per cent. And three-month interbank closed is per cent	Nine months 122-125 1 Nine months 12-11% 1 One year 1176-114 1	138g-128g.;	124	Ξ. Ι	=	Ξ ]	ΞΙ.	_	<u> </u>
higher at 13 % per cent. The Bank of England was quick off the mark to eliminate a forecast money market shortage	MONEY RATES					·			
of £550m.	Feb. 6	Frankfurt	Paris	Zurich	Amst'dam.	Tokyo	Milan	Brussels	Dublin
£22m of bills outright through £9m of Treasury bills in band 1	Overnight One month Two months Six months Lombard Intervention	6.10 6.25 6.25 6.40	101g 101g-105g 101g-105g 101g-105g 101g-105g 	27g 31g 51g-55g 51g 55g	5 th 5 th 6 to 5 th 5 to 5 th 5 to 5 th	6,91875 6,21875 6,98126 —	157g-16 163g-161g 153g-161g	7.55 105g-107g 103g-11 107g 3-11g	1434-15 1434-15 1458-1478 1418-1454 1414-1432

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<u>·                                      </u>	Local Auth- regotiable bonds	LINHARN	Finance House Deposits	S Cert of Deposits	SDR Linked Deposits	ECU Linked Deposits
o months ee months	1378-1342 13-1258 13-1258 1276-124	1178 1179 1179 1179	1378 1359 1359 1278 1274 1259	8,4-8,5 8,5-8,6 8,55-8,65 8,6-8,9 9,1-9,3 9,5-9,7	8	1018-1018 1018-1018 1018-1018 1018-1014 913-1018

Two years	1178 1179 1178 1178			
ECGD - Fixed Rate - Ex Jenuary 2 to February 19 and finance houses seven Houses Base Rate (publish from February 1 1985, Lo 14 per cent. London Deportent. Treasury Brills; A Cartificates of Tax Deposit to suspension were: Deportent one-three months 134 per cent some Jenuary 30. Depodeposits withdrawn for cent from Jenuary 30. Depodeposits withdrawn for cent	IBS (Inclusive) in days' notice and by the Financian and Scenit Retea for a verse of the Education of the Ed	, others seemed the control of the c	wen days' fix Association): ng Bank Rate en days' noti discount 11.81 subjects and in under one in tha 13% per st. Under £100	sed. Finance: 10½ per ce se for lends ce 11-11½; 150 per ce d. Rates prononts 14½; cent; six-ni 0.000 12½;

MONEY RATES NEW YORK (Lunchtime) Treasury Bills

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 99 <sup>16</sup> 12 100		
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Please send me further details of 'CABLE TELEVISION AND SATELLITE BROADCASTING'  A FINANCIAL TIMES INTERNATIONAL CONFERENCE	Position
	Address
	Tel: Tel:

## FT INTERNATIONAL BOND SERVICE 0ffer C.db. Cope 1801/2 11/4 11.89 1803/6 28/1 194 1603/6 28/1 194 1603/6 13/2 974 1603/6 13/2 974 1603/6 13/3 12.19 1903/6 21/1 12.84 9874 5/3 0.88 1603/6 13/12 11.19 NOTES B.B.L 🛶 5 89 OVER-THE-COUNTER Continued from Page 34 1.10 1.50 1 12 .25s Elen gerinden gerinden gebruik gerinden +14 -14 +15 Manare Ma .08 .22 .16 GTS s Galico GamaB Gancif Gancif Gancer Genetch GnAst GenCor Griffme GnPtrys GenetC Ge L-L 103, 91, 16 22 183, 404, 171, 18 15 161, 143, 1 LDBrnk LJN LSI Log LTX LaPete: LaZ By Ladfrn Ladler Lancast Lnc8F LancCo 364 345 2003 129 583 50 843 85 24 30 85 36 经经济经济 经经 1.20 .12a .16 .80 .89 .80 .80 **Indices** NEW YORK-DOW JONES Feti 4 Low High 10.5 Year Ago (Apa 4.91 4.55 NCA Cp NASC 3 NASCO 5 Since Compiletien Low 4.00 19.71 11.51 3.85 11.14 11.19 4.15 10.31 11.40 3,74 13,49 11,54 RISES AND FALLS Feb 4 Feb 1 2,025 1,092 519 414 2,020 1,000 521 399 2,014 647 819 449 3.66p.m. Price 20% 46% 58 29 28% 3.80p.m. Price 12% 46 ml 135% 42% 35% 1984-85 Feb 4 High 2524.4 (12/1/84) 2685.2 ( 5/2/85) Low

.60 .44 .016 1.40 .01 .01 .128 .48 .66 .70

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——《明日》2711年16日 2711年6年 4月55年17日 1828年 2月17年 5月17日 1828年 182

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# **Bankers Trust comes** back with \$300m floating-rate note

busy again yesterday, launching a \$300m floating rate note for its par-ent. On Tuesday it led a \$100m fixed-rate issue for Bankers Trust which was swapped into floating rate funds at a lower borrowing cost than the new FRN.

That is not to say that the FRN.

which pays interest of his per cent over three-month London inter-bank offered rate (Libor) and front end fees of 32 basis points - pro-duced an excessive cost of funding. The issue which has a 15-year life, traded well inside the fees at a dis-

were launched, both finding the go-ing slow and trading around the gross fee level Gould, the U.S. elecper cent coupon and par issue price. This led by Kidder Peabody. Fees total 2 - Year the redemption of Gould's last Eurodollar bond issued in 1979.
Salomon Brothers launched a

and par issue price. This is not a direct issue from Japan, so it will have to find buyers away from the
Far East. Fees total 1% per cent.
A \$20m issue with equity warrants appeared for Maruzen, the
Japanese book retailer, led by Nikbe Sacquities. This has a fine year.

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yesterday delayed the issue due for TransCanada PipeLines, while in many's new \$150m Eurocredit it the Ecu market Banque Paribas is was stated that the inclusion of a holding back an issue for Seiyu margin over U.S. prime rate had

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